Daily Report

East Europe

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FBIS-EEU-89-052 *20 March 1989*

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Vienna Conventional Arms Talks Continue

Hungary's Meiszter Speaks

LD1303234389 Budapest MTI in English 2118 GMT 13 Mar 89

[Text] Vienna, March 13 (MTI)—On Monday [13 March] Ambassador David Meiszter, head of the Hungarian negotiating delegation, addressed the second plenary session of the Vienna talks of 22 [as received] Warsaw Treaty and NATO member countries on European conventional armed forces.

He pointed out that the positive changes in the international situation have created extremely favourable conditions for the talks started last week to yield tangible results within a relatively short time. The proposals submitted on March 9 on behalf of the Warsaw Treaty and NATO countries are similar in many respects, although views differ sharply as to the weapon categories to be included in the first agreement. The ambassador confirmed Hungary's intention to participate in carrying out the disarmament measures from the beginning.

Also on Monday, the delegations of the 35 signatories to the Helsinki Final Act held the 3rd plenary session of their negotiations on confidence and security-building measures in Vienna. The conference was presided over by David Meiszter.

Romanian Delegate's Address

AU1303204289 Bucharest AGERPRES in English 2007 GMT 13 Mar 89

["Romanian Address to Vienna Meeting"—AGERPRES headline]

[Text] Vienna (AGERPRES) 13/3/1989—Taking the floor at the Vienna meeting during the debates on conventional disarmament, the Romanian chief delegate showed that in Romania's outlook, the guaranteeing of every states' security, no matter its membership or non-membership of military alliances should be the major goal of the negotiations which also implies an enhanced stability and security in Europe through substantial reduction of troops and conventional weapons. To this end, in the current stage, all the categories of armed forces and armaments, except those expressly excluded through the mandate agreed upon, just as the military spending of states should make the object of negotiations. But this does not mean that the weapons that are not included in the set mandate, such as the nuclear and chemical weapons, and more particularly the tactical nuclear weapons, can be neglected. On the contrary, the adoption of measures in this respect acquires an urgent character. In this light, Romania considers as necessary the setting up of a special negotiating forum on nuclear armaments in Europe.

A question concerning numerous states participating in the negotiations is that of preventing a qualitative race of conventional armed forces in Europe, the Romanian representative said, such a tendency being possible in conditions of setting mere quantitative ceilings. Romania, as [it] has already stressed during the negotiations under way, points out that an important role in preventing such actions could be played by the pledge assumed by the participating states not to use the financial means released through these reductions for other military purposes. Along the same line would fall the diminution of the manufacture of armaments by reorienting military enterprises towards peaceful production.

In consideration of the complex character of the questions related to conventional disarmament in Europe, the speaker said in conclusion, Romania is also of the opinion that the possibility should be examined that, to the end of stimulating negotiations, states should resort to the adoption of unilateral measures regarding both the armed forces and armaments that make the object of the debates, and other domains, measures which could materialize in reduction, relocations, transfers, all this being meant to facilitate progress in attaining the major goal of disarmament, of strengthening security on the continent.

Romanian Delegation's Proposals at CSCE Talks

AU1403200089 Bucharest AGERPRES in English 1841 GMT 14 Mar 89

["Address by Romanian Delegation to Vienna Negotiations"—AGERPRES headline]

[Text] Vienna (AGERPRES) 14/3/1989—The Romanian delegation to the Vienna negotiations on the adoption of further confidence- and security-building measures in Europe set forth a number of considerations on the concrete aspects under debate. In Romania's opinion—the delegation pointed out—the current negotiations should concentrate on building up confidence among states through a better knowledge and foreseeability in the military field as well as a through a transition to a new stage, that is to an effective limitation of the objective conditions apt to start an armed attack in Europe. In this respect, account is taken of such measures as increasing exchange of military intelligence, the notification of military activities and the acceptance of observers at a lower level of their scope. Romania proposes several measures of limiting military activities: the limitation of military activities at lower parameters, the limitation of their scope, number, duration and frequency, the creation of corridors and zones of security along the frontiers between states, the renunciation of multinational manoeuvres along frontiers—the creation of a corridor free of nuclear, chemical or other weapons of mass destruction at the demarcation line between the NATO and the Warsaw Treaty countries, and other.

Of special importance would also be in Romania's opinion the adoption of measures apt to prevent the escalation of military confrontation in Europe such as:

the emplacement of no more military bases and troops in the territory of other states and an end to the development and modernization of the ones in place, the freezing of military spending at the current level and the beginning of negotiations on their reduction.

The confidence- and security-building measures in Europe cannot disregard the fact that on this continent there are nuclear weapons and plants. In the light of such a fact, Romania advanced an aggregate of measures for the prevention of nuclear accidents: banning of manoeuvres of ships and aircrafts which carry nuclear weapons along the land and sea borders of other states, and abstention from the organization of military activities near peaceful nuclear plants, primarily near nuclear power stations. Romania also reiterates the need to encourage and support the creation of zones free of nuclear and chemical weapons in the Balkans, in central and northern Europe and in other regions of the continent.

Another category of proposals made by Romania refers to the adoption of measures for the development of contacts and cooperation among states in military questions: periodical consultations, the setting up of a system of telephone connections for consultations among heads of state and government, and others. Romania also declares for the broadening of political dialogue between the states in the two military alliances with a view to creating conditions for a gradual passage to the simultaneous dissolution of the Warsaw Treaty and NATO.

Albanian Journalists Appeal to CSCE Ministers

AU1103194489 Vienna WIENER ZEITUNG in German 11 Mar 89 p 3

["MS"-signed report: "Situation in Kosovo Remains Tense"]

[Excerpts] On the background of the state of emergency, continuing strikes, and the forthcoming vote on the Constitution in the Kosovo Parliament, the situation in the autonomous province in southern Yugoslavia is constantly aggravating. Yesterday [10 March], journalists from Kosovo of Albanian origin gave their colleagues in Vienna a report on the mood and the background of the conflict. [passage omitted]

The two Albanians have been in Vienna for 4 days; they called upon the CSCE foreign ministers on Wednesday [8 March] to protest the "many years of suppression of the Albanian minority's national rights by the Yugoslav Government." On behalf of the "People's Movement for a Republic of Kosovo," they demanded the establishment of a separate republic for the ethnic Albanian group. [passage omitted]

Daily Responds to Mikulic Stand on Kosovo
AU1803145589 Tirana ATA in English 0900 GMT 18 Mar 89

["Reply To Branko Mikulic"—ATA headline]

[Text] Tirana, March 18 (ATA)— Under the above title, the newspaper ZERI I POPULLIT carries on March 18 an article, which says:

In the farewell press conference with foreign reporters, the former chairman of the Yugoslav Government, Branko Mikulic invited us to discuss on the human rights in Albania and Kosovo. The idea is as original as interesting. But Mikulic did not make us clear why does he want this "dialogue"? Does he want it because now he is retiring and as every private citizen he may adopt every proposal because he commits himself for nothing, does he do this because he wants to show the world the dull theses elaborated by Serbian propaganda that people in Albania enjoy no rights, whereas in Kosovo "paradise" reigns, does he do it to prettify his political image or to get the diploma of arousing enmity toward everything Albanian? One cannot understand whether he wants to arrange anything or wants to put everything in disorder? As he did not clarify what his speech implies, we have to give answers to what he said and just as he put things.

Addressing our answer, we want to believe that this time we will not be accused of interfering in Yugoslavia's internal affairs, as we are accused whenever we mention the word Kosovo. His invitation may be whatever, but it can never be an instigation to interfere in Kosovo's affairs. Mikulic was blamed and even discharged because of the numerous failures in running the country while he was at the head of the government. But with regard to his attitude to Kosovo he has been standard bearer of that policy that is powerfully applauded in Belgrade's squares and other Serbian cities. He boastfully and satisfactorily declared at the conference that "we have done everything to finally settle accounts with the Albanian separatism and to ban the separatist activity." And as we have heard no one in Yugoslavia has disclaimed his merits for this, so far. We say so far because tomorrow he too may be included in the "black lists" published by the Belgrade press, and where there are registered many names of his Bosnian and Croatian compatriots, the Slovenian leaders, not to mention here the names of the Kosovo leading cadres who until late were together with him in the benches of the government and the Central Committee and today are imprisoned. Anything may happen in Yugoslavia, but we are speaking of today and not of the tomorrow day.

But let us take up one by one the questions he raises at the press conference.

Asked by the reporters whether the crisis of Kosovo was an incident or a reflection of the situation across the country, unhesitatingly he stated that "young ethnic Albanians in Kosovo have been indoctrinated directly from Albania for years in succession and that books brought by the university professors have been imported from that country".

Mikulic found the evils of Kosovo in the books that had allegedly entered there from Albania. Although his statement does not lack "the sensational aspect," he does not go further than his colleague from Macedonia, Mojsov, who said that the events of Kosovo are a result of the Albanian espionage. The anti-Albanian propaganda and the chauvinistic blindness that prevail in Yugoslavia, as it seems, had its impact even on a hardened politician, like Mikulic.

Is it not very simplified and very naive the claim that through such arguments as those of Mikulic or Mojsov all the world be convinced that 10 books or 5 professors made millions of people go crazy, and trample underfoot "the good things," made them not understand that they are living in a "paradise," that they have "rights" which nobody in the world has, that "no one has the freedom and democracy they are enjoying?"

The analysis of Mikulic over the national conflicts of Kosovo are very childish for an economist having such a long political career, like him. But the others are neither children nor do they lack eyes to see and ears to hear.

Which is the economic situation in Kosovo? The statistics are known. For the same work, for the same quantity and quality of it, a Kosovo worker is paid three times less than his colleague in Slovenia, Croatia, or Serbia. Kosovo has a high unemployment, a learned and unlearned youth who do not yet know whether they will ever work during their lives. An almost racial discrimination exists in Kosovo regarding the employment of the Albanians and the Serbs. Mikulic, too, knows these facts better because the Yugoslav papers, which he certainly reads, write every day on them. But how many illiterate are there in Kosovo? How many books do the Albanians read in their language as compared with the other citizens of Yugoslavia?

Therefore, don't seek the cause of the events of Kosovo in the interference of Albania, in 10 Albanian books and in their "magic power" in order to indoctrinate a whole people wrongly.

Full embargo has been adopted and is applied in Kosovo not only on the Albanian books from Albania, but also on every cultural activity of it. Even in the best times, they in Kosovo have allowed only text books on medicine, chemistry, physics, mechanics, and rarely any books of history, and this too much selected and censored and only for some library. Our political books have not been allowed in Kosovo. They have been cursed by Serbian authorities and anyone who might have such a book was declared heretic and was imprisoned.

But in case any political book from Albania has entered, what could it do as compared with all those books published in Yugoslavia on Kosovo, whith all these magazines and newspapers, radio and TV broadcasts, conferences, seminars, meetings and counter-meetings, anti-Albanian speeches and rallies?

Has Mikulic or others who direct Yugoslavia's destinies ever thought that there might be precisely these books and reviews, these meetings and rallies that "indoctrinate" and "poison" the Albanians of Kosovo and Yugoslavia? If they have not thought of such a thing until now, it would be better for them to reflect even for a moment.

The Yugoslav press time and again speaks of the situation of minority in Albania. It draws comparisons with Yugoslavia and leave no line of reactionary papers unpublished, suffice to attack Albania.

We have no problems with the national minorities and have no reason to hide their state. Anyone completely freely may see and judge upon them. Greek minority and a very little Slav minority exist in Albania. In both zones where they represent a compact population, they enjoy all rights and freedoms belonging to them, economic and cultural, they speak their mother-tongue and have schools in their own language, cultivate freely their own traditions.

Are there other Greeks and Slavs in Albania, apart from those of these known zones? From the south to the north and vice-versa distributed in various cities, there are some hundreds of citizens of Greek, Slav nationality (if one is interested, even Russians), Jews, etc. Nevertheless, no one denies them of their nationality, they cannot be treated of as minorities.

Such a thing is done neither in Yugoslavia nor in any other country. For instance, how many Albanians are there in Belgrade, in Zagreb or Ljubljana? There are thousands, even scores of thousands. But no one has ever put forth the problem that they, too, enjoy the special status of national minorities.

Concerning the cultural monuments and traditions, they are preserved and respected in Albania. The icons and iconostasis, either Byzantine or Greek, even the churches and everything valuable, even the Slav names of a part of villages who have experienced Slav invasion, have not been changed.

But the Belgrade reporters want to call Shkoder a Serbian monument. Isn't it too much? This three thousand year-long city, has been Illyria's capital, when the Serbs were still, if they were, somewhere in the Urals and beyond them. Isn't it not this care of the "monuments" an expression of an archaic expansionist mentality, which when modernized becomes more dangerous?

With regard to the rights of the Kosovars, you say that they lose nothing as a result of the constitutional changes. This may be your conviction but the truth is different. Let us refer to some Yugoslav papers which until now are not considered indoctrinated by the Albanian books.

"An end should be put to every hunting against the Albanians and that the Albanians are destined to defend the Constitution of 1974 which arranges the relations among its republics and provinces and that the same rules should be observed both for the Albanians and the other nations and nationalities in the country (the newspaper DELO, February 22, 1989).

"...The Yugoslav and Kosovo crisis may have a possible solution only through the political, economic, and cultural recognition, the recognition of the autonomy and equality of all the nations and nationalities living in Yugoslavia, by ensuring and observing the essential human civic and national rights in all the parts of the country" (from the communique of the extraordinary meeting of the Presidency of the CC of the LC of Croatia, February 27, 1989).

"We raise the voice against the use of violence, which leads to the state of emergency, having a great confidence that sooner or later, the will of the people and nations who want to live in Yugoslavia in harmony, peace, and togetherness, respecting one another, will triumph. We, the Slovenians, are a small people and for this we side with a minority which is threatened. The Albanians are in conflict with the hegemonic tendencies which have their source in the Great Serbia" (statements by Milan Kucan in the rally of Ljubljana of February 27).

"Without them (the Albanians) the problem cannot be solved. This implies also the struggle against humiliation and doubts against all the Albanian nationality, declaring the Albanians as second-hand people" (the newspaper VJESNIK, March 6, 1989).

Perhaps, you consider these papers as "black sheep." Then, let us listen to the leader of Serbia, Milosevic: "Kosovo, he calls, will lose what it ought to lose." It cannot be put clearer than this.

But what it loses concretely, is not said. Judging from the demands of the Academy of Sciences of Serbia (its known memorandum) and from the Belgrade press or the calls on the streets, it is about to limit the use of the Albanian language, to close down the Albanological Institute, and to cut into halves the number of students, to change the names of the schools or to close some of them, to appoint non-Albanian judges and attorneys, to deny them in practice of the autonomy and the rights as a constitutive element of the federation.

It might be said that these are demands of some separate institutions or of some individuals. But nobody, no official organ has distanced from such demands. Everybody is noticing in reality that even the most aggressive demands made against the Albanians in the streets are met immediately. "Arrest the Albanians," they in Belgrade shout in the rallies, and the next day the doors of prisons are opened. This one must resign or the other not, and so it is done; "the state of emergency be imposed," the hotheads ask, and the tanks move.

Now, it has gone so far as the Albanians, in fact, have no right to elect even the ones they want to. If one voices his objection he is described a counterrevolutionary immediately. If they say we want explanations, they are accused of being separatists, if they oppose a Serb viewpoint, then they are irredentists, who should be sentenced. And there are not few, but thousands who are arrested. Besides, over 480,000 people are summoned, administratively sentenced, or treated by the UDB organs, as the former home affairs minister of Kosovo, Rahman Morina, has declared.

Perhaps are the tanks, army, and violence, a reflection of rights? Tanks and violence are not used against the minorities in our country. There are no unemployed, there are no demands for emigration. All the organs of the power and party in these zones are made only with representatives of the minority. This is the tableau of the rights of minorities in our country.

The dialogues among the states, and especially among neighboring countries, are necessary and useful. But they should be open, sincere, and in a constructive spirit. The demands of Mikulic do not proceed from these aims and have not such an inspiration. They are simply conjunctural propaganda speculations.

The Observer.

Foreign Trade Minister Returns From GDR

AU1803144889 Tirana ATA in English
0959 GMT 18 Mar 89

[Text] Tirana, March 18 (ATA)—The Minister of Foreign Trade Shane Korbeci who, at the invitation of the minister of foreign trade of the German Democratic Republic, Dr Gerhard Beil participated in the Leipzig Spring Fair, returned home.

He was welcomed at the airport by Osman Murati, minister of home trade and other comrades.

Present was also Dieter Kulitzka, ambassador extraordinary and plenipotentiary of the GDR to the People's Socialist Republic of Albania.

In the course of his stay in Leipzig, the foreign trade minister, Shane Korbeci, was received by the foreign trade minister of the German Democratic Republic, Dr Gerhard Beil. During the reception they exchanged views on the possibility to further expand in the future the trade exchanges between the two countries.

Likewise, he was received at separate meetings by the minister of light industry, Buschmann, and the minister of regional and food industry, Dr Wange.

Gjyzari Returns From Balkan Meeting in Ankara

AU1903134389 Tirana ATA in English
0935 GMT 19 Mar 89

[Text] Tirana, March 19 (ATA)—The chairman of the State Planning Commission, Niko Gjyzari, who attended the meeting of the ministers of economy or foreign trade of the Balkan states, held in Ankara on March 15-16, returned home on March 18. During his stay in Turkey, together with the heads of the delegations of the other Balkan states, he was received by the premier of the Republic of Turkey, Turgut Ozal.

Leaders' Public Appearances for 10-17 Mar

AU1703171589

[Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 10-17 March reports the following public appearances of Albanian leaders (source-line of report given in parentheses):

Foto Cami, Albanian Workers Party Central Committee [AWP CC] Politburo member and secretary, and Pirro Kondi, AWP CC Politburo candidate member and Tirana District AWP Committee first secretary, attended on 16 March a scientific session held in Tirana on restructuring. (1900 GMT 16 Mar 89)

Foto Cami, AWP CC Politburo member and secretary, attended on 14 March a meeting of the Assembly of the Academy of Sciences, when he was also elected as member of its Presidium. (1900 GMT 14 Mar 89)

Muho Asllani, AWP CC Politburo member and Durres District AWP Committee first secretary, attended on 12 March a rally in the city of Durres to mark the beginning of the election campaign for people's councils, courts. (1900 GMT 12 Mar 89)

Warsaw Pact Commander Lushev, Lobov Visit

Arrive in Sofia

AU2003084389 Sofia BTA in English
0821 GMT 20 Mar 89

[Text] Sofia, March 20 (BTA)—At the invitation of the Bulgarian Government Army General Petr Lushev, commander in chief of the United Armed Forces of the Warsaw Treaty member states, and Army General Vladimir Lobov, chief of staff of the forces, arrived on an official friendly visit to this country today.

At the airport they were met by Army General Dobri Dzhurov, member of the Politburo of the CC [Central Committee] of the BCP [Bulgarian Communist Party] and minister of national defense, by Mr Velko Palin, head of the "Social and National Security" Department of the CC of the BCP, generals and officers of the Bulgarian Army.

Received by Zhivkov, Dzhurov

AU2003104889 Sofia Domestic Service
in Bulgarian 1000 GMT 20 Mar 89

[Text] Comrade Todor Zhivkov received Army General Petr Lushev, commander in chief of the Warsaw Pact Joint Armed Forces, and Army General Vladimir Lobov, chief of staff of the forces, at the Party House in Sofia this morning. The meeting was attended by Comrade Dobri Dzhurov.

The Soviet guests visited the Ministry of National Defense this morning, where they had a talk with Army General Dobri Dzhurov, minister of national defense.

Soviet Civil Defense Chief Briefs on Chernobyl

AU1803175589 Sofia Domestic Service
in Bulgarian 1730 GMT 18 Mar 89

[Text] Today in Sofia, Georgi Atanasov, chairman of the Council of Ministers, received Army General Vladimir Govorov, deputy minister of defense of the USSR and chief of Civil Defense of the Soviet Union, who is visiting Bulgaria at the invitation of the Bulgarian Government.

Conferences were held with ministers, chairmen of executive committees of oblast people's councils, leaders of associations, economic organizations, and others, at which they were briefed on the lessons and conclusions drawn from the accident at the Chernobyl nuclear electric power station and the earthquake in Armenia. The preparedness of the Bulgarian Civil Defense for action in the event of major industrial accidents and natural disasters in peacetime conditions was also examined.

Politburo Approves Intellectual Restructuring

AU1703202289 Sofia BTA in English
1932 GMT 17 Mar 89

["Resolution of the Politburo of the CC of the BCP"—BTA headline]

[Text] Sofia, March 17 (BTA)—The Politburo of the CC [Central Committee] of the BCP [Bulgarian Communist Party] in its session on March 17, 1989, considered the results of the congresses which took place of the workers in the sphere of the scientific, techno-scientific, and artistic work. Unanimous is the conviction that these results are positive.

The congresses turned into an important stage in the development of the concepts for restructuring in the different fields of the intellectual sphere, for adequate renovation in this society's intellectual life. In the spirit of the April traditions of the BCP and in compliance with the present understandings for democracy of social life, for openness and social pluralism, these forums opened new kinds and possibilities for expression of the civic and political activity of creative workers in the intellectual sphere. There was an extensive dialogue and collision of opinions, and important proposals were made in the programme decisions and documents of the creative and scientific unions, the resolution said.

All this is indicative that a true and successful way is found for the uniting of the Bulgarian intellectuals around the July 1987 Concept for Restructuring, that the line followed by the BCP is at the level of the historical stage which Bulgaria has entered.

Despite the fact that certain statements at some of the congresses made an attempt to lead away from the actual tasks, the discussion, as a whole, was fruitful. The congresses played their role, the resolution of the Politburo of the CC of the BCP goes on to say.

No doubt, that in the intellectual renovation of society, the undertaken way is a correct one, that the Bulgarian intellectuals are in their large majority supporting the party ideas. [sentence as received]

The Politburo of the CC of the BCP thinks that most important now is to form quickly the all-round concept for development in the intellectual sphere, and especially for the organizations with an ideal aim and of the publishing houses, for transfer of the actualities in that sphere at the place where the people live and work and for the opening of all necessary conditions for the creation of new intellectual values for the increase of interrelations of the scientific, techno-scientific, cultural and educational workers with the respective institutions from the other countries and in the first place with the USSR.

The Politburo of the CC of the BCP is convinced that the intellectuals have contributed historically to the development of Bulgaria in the past, and in the conditions of socialism they will strengthen their position as a decisive force of restructuring for the flowering of the country and its turning into a highly developed and cultural state.

Central Committee Session Set for 30-31 Mar
AU2003124889 Prague RUDE PRAVO in Czech 18 Mar 89 p 1

[Unattributed "Report From a Session of the Czechoslovak Communist Party Central Committee Presidium"]

[Text] The Czechoslovak Communist Party [CPCZ] Central Committee Presidium adopted at its session here Friday a plan to organize the 13th CPCZ Central Committee session, which is to be held, as has already been announced, on 30-31 March.

The Central Committee session will discuss a report on party activities after the 12th Central Committee session and its further tasks to be delivered by party General Secretary Milos Jakes. Jan Fojtik, member of the Presidium and secretary of the party Central Committee, will report on the tasks of the Czechoslovak education system in the period of economic restructuring and the development of socialist democracy.

Members of the Presidium agreed to Milos Jakes' visits to Syria on 10-11 April, and to Vietnam, Laos, and Cambodia on 5-10 April. The already announced visit to India has been postponed.

The party Presidium also agreed to a visit by Jozef Lenart, member of the Presidium and secretary of the party Central Committe, to France at the invitation of the French Communist Party due on 18-19 April.

The Czechoslovak Communist Party Presidium was informed about a working meeting of the Central Committee secretaries of the CEMA fraternal parties for economic issues in Prague. It approved the Czechoslovak Communist Party delegation's procedure at this meeting and set, in the spirit of the adopted conclusions, further tasks for the preparation of a session of the Central Committee leaders of the CEMA countries' Communist and workers' parties due in Prague.

Presidium members took note of the measures for the extension of cooperation between the bodies of the Ministry of Internal Affairs, the prosecution and courts, and mass media in order to ensure adequate public information on the above bodies' activities, as well as on the forms of punishment of extraordinarily serious crimes.

The necessary organizational, personnel, and legislative prerequisites for the consistent implementation of these measures aimed at greater public information are being created.

Presidium members took note of the report on a working visit of Yegor Ligachev, member of the Politburo and secretary of the Soviet Communist Party [CPSU] Central Committee, to Czechoslovakia on 8-11 March, which took place in the framework of preparations for a CPSU Central Committee session on the further development of Soviet agriculture and the food industry.

Jakes Wishes Husak 'Speedy Recovery'
LD1703163789 Prague Domestic Service in Czech 1600 GMT 17 Mar 89

[Text] Milos Jakes, general secretary of the Czechoslovak Communist Party [CPCZ] Central Committee, visited Gustav Husak, member of the CPCZ Central Committee Presidium and president of the CSSR, who is still receiving hospital care after suffering a minor incident with a blood vessel in the brain [mali cevni mozkova prihoda]. On behalf of the CPCZ Central Committee Presidium, he wished him a speedy recovery.

Dubcek Refused Visa To Travel to Rome
AU1703180889 Paris AFP in English 1741 GMT 17 Mar 89

[Text] Prague, March 17 (AFP)—Alexander Dubcek, Czechoslovakia's leader during the 1968 "Prague Spring", has been refused an exit visa to attend the Italian Communist Party congress, a source close to Mr. Dubcek said Friday [17 March].

An official delegation from the Czech Communist Party, also invited to the congress which begins Saturday, left Prague for Rome on Friday, a government source said.

Mr. Dubcek, who presided over a period of liberalisation in Czechoslovakia known as the "Prague Spring", went to Italy last November to receive an honorary doctorate from Bologna University.

It was the first time he had been authorised to leave the country since he returned in 1970 from a post as ambassador to Turkey.

Mr. Dubcek's reform programme came to an abrupt and violent end when Soviet-led Warsaw Pact forces invaded Prague in August 1968.

His wife said Friday that he had "not yet decided" whether to try Monday to get a last-minute exit visa to allow him to attend the five-day congress.

Demonstrators Receive Suspended Jail Sentences
LD1703222189 Prague CTK in English 1950 GMT 17 Mar 89

[Text] Prague March 17 (CTK)—Hana Marvanova and Tomas Dvorak were sentenced here today to suspended sentences of ten months' imprisonment on charges of preparing sedition.

They were found guilty of gathering for distribution, since September 1988, written material with content aimed against the socialist and state system of the Republic. In the same period Tomas Dvorak called on

citizens in leaflets and other improper written materials to participate in a demonstration organized by illegal anti-socialist groups in Prague's Wenceslas Square on October 28, 1988.

As far as the participation of the accused in an unauthorized demonstration on August 21, 1988 is concerned, the court did not find them guilty of the criminal act of sedition. It qualified their conduct as hooliganism, an act amnestied by the presidential pardon of last October 27, and this is why criminal prosecution on this count was stopped.

The verdict is not yet in force. Representatives of the Committee of the Czechoslovak Public for Human Rights and Humanitarian Cooperation attended the trial.

Further on 'Light' Sentences

AU1703175389 Paris AFP in English
1730 GMT 17 Mar 89

[Text] Prague, March 17 (AFP)—Two founder members of a Czechoslovak pacifist movement were given suspended prison sentences of 10 months here Friday [17 March] in connection with their part in two unauthorised mass demonstrations last year.

Hana Marvanova, a 26-year-old jurist, and Tomas Dvorak, a 23-year-old technician, had denied the charges of "incitement to rebellion". The two founder members of the Independent Pacifist Association NMS, who have been held for five months, were not released however as the prosecution, which had requested 18 months imprisonment, immediately lodged an appeal.

They were acquitted of one charge relating to active participation in a demonstration of several thousand people in Prague on August 21 marking the 20th anniverary of the Soviet-led military intervention here. But they were found guilty of organizing a second demonstration on October 28 for the 70th anniversary of the founding of the state of Czechoslovakia.

The sentences, suspended for two and a half years and handed down in the fourth political trial in a month here, were considered by observers to be light.

Dissident playwright Vaclev Havel was sentenced to nine months jail on February 21, prompting international protest. In the period just before that, other dissidents received sentences ranging from two months' suspended to 16 months in prison.

10-Month Sentence for Man in Hoax Bomb Threat

AU1703201389 Prague RUDE PRAVO in Czech
15 Mar 89 p 2

["(gc)"-signed report: "Punished For Threatening"]

[Text] Bratislava (our correspondent)—On Monday [13 March] the Bratislava-1 Municipal District Court dealt with a criminal offense perpetrated by Arpad Szalava, head of the technical economic department of the housing enterprise in Bratislava-3. It passed this sentence on him: unconditional deprivation of freedom for 10 months in the first correctional-educational group. The sentence has not yet acquired the force of law.

Arpad Szalava committed the criminal offense of harming other people's rights according to paragraph 209, Section 1, Letter A of the criminal code, by dialing emergency number 158 on 14 February 1989 and telling the operational center of the Bratislava City Public Security Administration that a bomb would explode in the Forum Hotel. He allegedly acted in this manner out of excitement. As he told the court, he failed to recognize the socially dangerous nature of his behavior.

Slovak Weekly Criticizes 'Clerical Fascism'

LD2003090189 Prague CTK in English
0815 GMT 20 Mar 89

[Quotation marks as received]

[Text] Bratislava March 20 (CTK)—Good relations between the state and the churches in Czechoslovakia cannot be based on the policy of confrontation and revival of clerical fascism but on mutual respected and tolerance, the Slovak weekly BOJOVNIK wrote in the latest issue.

This is the basic prerequisite for constructive contacts and for talks which would lead to the solution of outstanding issues.

Recalling the existence of the World War II clerical fascist Slovak state, the weekly said that "the experience of more than forty years shows that the actions of illegal church structures in Czechoslovakia have always been one of the main obstacles to the solution of outstanding issues in the church policy sphere and disrupted good relations between the state and the church. A false picture about the status of religion and the churches in Czechoslovakia, which is being drawn by the enemies of socialism, and "fears" from the restriction of possibilities for religious life, are made up artificially and are contrary to the reality.

Extremists within the ranks of illegal church structures, in cooperation with the organizers of so-called civic initiatives, work in the service of world reaction which is trying to turn religious organizations in Czechoslovakia into a political tool of struggle against socialism. Certain circles in the West exert pressure on the churches in

Czechoslovakia to intensify not only their religious but mainly political-clerical activity. They would like to cause "permanent war" between the socialist state and the churches. Members of illegal church structures, especially posthumous heirs to former Slovak clerical fascism, are to to fight in the first lines of this undeclared war. The organizers of these actions quite ignore the fact that their activity is in conflict with the real wishes and interests of believers and most church dignitaries, the weekly said.

15 Mar Celebrations in Budapest Noted

AU2003104389 Bratislava PRAVDA in Slovak 16 Mar 89 p 7

[Article by Gejza Vilcek, Bratislava PRAVDA permanent correspondent in Budapest: "Appeal By MSZMP Representative at Celebrations in Budapest; Dialogue, But Not Infighting"]

[Excerpts] Budapest (our permanent correspondent)—The national day of the Hungarian People's Republic—15 March, the anniversary of the breakout of the bourgeois revolution in 1848—was this year for the first time celebrated as a public holiday. Official celebrations were organized by the People's Patriotic Front, the Hungarian Socialist Workers Party (MSZMP), and the Communist Youth League (KISZ). Thirty-one alternative organizations and groups held their own celebrations in Budapest. [passage omitted]

The slogans at the official celebrations called for unity instead of infighting, democratic socialism, a reform of the wage system, and economic progress. The so-called alternative groups and organizations held their celebrations in the afternoon and in the evening. The parade—some 80,000-100,000 persons according to Hungarian sources—marched from the statue of Petofi to the statue of Kossuth, and then to the Hungarian television building, which they "symbolically occupied" by reading 12 demands (this action somewhat recalled the occupation of the printing works in 1848 and the publication of a 12-point program). The parade then marched to the statue of General Bem, the Polish hero of the struggles for national liberation in 1848-49. Emotions had already been stirred up when the parade arrived there. Slogans called for a free, independent, and democratic Hungary, and several streamers that read "FIDESZ" (the so-called Federation of Young Democrats) were of an obviously provocative nature. For example, "Down with the police state" was also chanted. At the same time, apart from the traffic service, which detoured road traffic, no security units were in sight. By late afternoon there were no reports of more serious disturbances of order, and only in Kecskemet and in the Budapest radio building—according to the radio—were there false alarms about concealed explosive devices following telephoned warnings.

Slovak Premier Interviewed on Restructuring

AU2003082189 Prague RUDE PRAVO in Czech 14 Mar 89 p 3

[Interview with Ivan Knotek, premier of the Slovak Socialist Republic, by Gustav Capko and Igor Sirota: "We Cannot Fulfill Our Aims Without the People; Comrade Ivan Knotek Answers Questions Asked by RUDE PRAVO"—date, place not given]

[Text] Four months ago changes in the governments of our republics and in the federal government took place. The CSSR Government outlined its aims and also the problems and the methods for their solution in its policy statement. We talked with Ivan Knotek, premier of the Slovak Socialist Republic [SR] on how the undertaken commitments are being fulfilled.

[Question] It is not possible to win the support of the people by mere cadre changes and by the rejuvenation of the government but, first and foremost, by establishing a correct program and by its thorough realization. Which main tasks will you be tackling this year?

[Knotek] I absolutely agree, by mere cadre changes and the rejuvenation of the government we will not win the support of the people. However, we will win it by fulfilling the tasks of restructuring our society.

If I wanted to briefly define the main task which the Slovak SR government has undertaken to solve it would be this one: to comprehensively contribute to the fulfillment of the tasks of the Eighth 5-Year Plan. This is a basic step for successful embarkation upon the realization of the restructuring of the economic mechanism in the years of the Ninth 5-Year Plan. A further task is to create optimum conditions for the acceleration of the restructuring of the economic mechanism from 1 January 1990. This is an extremely demanding task which, among other things, presumes the creation of legislative conditions. At the same time, it is necessary this year to complete the organizational restructuring and the foundation of state enterprises.

[Question] How many state enterprises will you establish in Slovakia?

[Knotek] Since the beginning of the year, 240 of them have begun operating and by 1 July this year we are planning the foundation of approximately 270 enterprises. Not only is the issue of the election of directors extremely important but so is the good work of self-management organs. Thus conditions are being created so that the employees of the enterprises become real managers.

We have experiences with the elections of directors from the first stage of restructuring. One of the first enterprises to elect a director was, for example, Kozmetika Bratislava.

The type of management there will be, and not only the director but also the self-managing organ, the party, and trade union organization, will dictate the results of restructuring. We have had good and bad experiences. For example, in the Bratislava Hydraulic Engineering Works they voted 3 times. This indicates bad cadre preparation and, in certain cases, even the manipulation of the voters. In many places, the analysis, according to which we should determine how the state enterprise is to function, was missing. Moreover, in certain cases, for the founders the "employees" were only the director and a small group around him. They negotiated with them, the employees' collective knew nothing. At the same time, no one can replace the founder. Not today, not in the future. It would be very simple administratively to establish the enterprise and let it do what it wants. However, by this we could be merely announcing restructuring but not doing it.

The founders and the government must create for the enterprises conditions for socialist entrepreneurship.

[Question] In the past we "created" conditions for enterprises as well. We laid down binding indicators which they fulfilled to the detriment of production costs. And the consequence is the hitherto approach toward providing for the tasks of the Eighth 5-Year Plan.

[Knotek] It is not possible to conceal this fact. In many cases, departments induced enterprises to undertake certain production tasks which did not dovetail, and inputs and outputs were not balanced by the State Planning Commission and the Slovak Commission for Planning and Scientific Technical Development. The question, then, was not only how to manufacture the goods but also, frequently, what to do with them? This must not be repeated. Therefore, restructuring is necessary.

We are devoting great attention to ensuring that every enterprise in Slovakia realizes that the basis of its existence is that its product is useful. The time has come to an end when goods were produced regardless of costs. Pressure in this direction has brought certain results. Over the last 2 years we have managed to reduce production costs by 0.75 percent. The number of loss-making enterprises is being reduced by one-third.

[Question] Exceeding the quantitative indicators to the detriment of the growth of production costs and inventories is wasteful. The CSSR Government has announced that it will definitely take steps against fulfilling the plan at such a cost. Despite this, certain enterprises are continuing to operate in such a way. Are you doing something about this?

[Knotek] We criticized the non-utilization of the mills in Kosice. Last year the director of the plant was recalled. This year three senior managers were not entrusted with the functions of managing a state enterprise. There were long running problems in the Prefa plant in Velke Levare. Senior managers were not paid special compensations totaling Kcs360,000. In the West Slovak Rohoznik Cement Works in 1986 the director of the enterprise was recalled, in 1987 the special compensations of senior managers were cut by Kcs84,000. Repressive measures are involved. The culprits? Slow and low quality capital investment and human irresponsibility. This leads to cases where before putting production facilities into operation we ascertain that the technology has absolutely changed, that there is no use for the product. The management of the enterprise, the departments, and in the final analysis the government itself cannot be blamed for this. Therefore, in no case must similar situations be repeated. How could it be that the late introduction of production facilities into operation caused in the Slovak SR last year a shortfall totaling Kcs860 million?

[Question] However, it is necessary to decisively resist the pressures on the financing of under utilized and non-effective investments. Do not the Bratislava Auto Plants and certain other enterprises belong among them? How will the government proceed in these cases?

[Knotek] First of all, as far as the investment aims of the Slovak and the entire economy are concerned it is necessary to say frankly that the present situation is the result of our previous extensive approaches toward capital investment. We must realize that what is being carried out in this Eighth 5-Year Plan has its foundations in the Fifth and Sixth 5-Year Plans. This is "thanks" to our slow project preparedness, slow construction, and because we did not react in time to the latest results of science and technology. In enterprises and departments economic aspects were not always duly appreciated, therefore, we learned "demand" approaches. Therefore, in the Czech SR and in the Slovak SR we have problems with the effectiveness of investments. Thus it is in the case of the Bratislava Auto Plants (BAZ).

It was necessary to expand production of automobiles. It was considered that the CSSR would conclude an international agreement with the GDR to manufacture automobiles. Then negotiations were interrupted. But the change was not reacted to in time nor did we react in time to the fact that commercial vehicles will not be assembled here. However, construction of the factory continued. Now cooperation has been offered to foreign firms to propose a use for these facilities.

The present situation in BAZ is a typical example of how things should not be done and central organs and often the management of the enterprise bear joint responsibility for this.

It would be good if only one such enterprise managed by the federal Ministry of Metallurgy, Engineering, and the Electrotechnical Industry in Slovakia was involved. However, the situation is similar in the Michalovce plant

of MEZ [Moravian Electric Appliances Plants] Mohelnice, where as a consequence of changes in the production of electric motors 20,000 square meters of manufacturing space is lying unused. Also, we are not satisfied with the utilization of facilities at the Malacky plant of Kablo Bratislava. It is the only construction in the CSSR which was halted by decision of the federal government. Putting it bluntly, the main responsibility in view of its lack of concepts was born by the former VHJ [Economic Production Unit], the Federal Ministry of Metallurgy, Engineering, and the Electrotechnical Industry, and other central organs.

Although the Slovak Government does not directly control these enterprises we feel a joint responsibility for the resolution of these problems.

[Question] In what do you see guarantees that the situation will not repeat itself?

[Knotek] I am absolutely convinced that under the conditions of the restructuring of the economic mechanism the self financing of enterprises will objectively create conditions for the more effective utilization of production facilities. Each enterprise will in its own interest react to changes in the market at home and in the world and will more actively engage in the international division of labor.

[Question] Could you give us a concrete example of such an approach?

[Knotek] Duslo Sala, the manufacturer of industrial fertilizers and chemical substances which retard aging—antioxidants—belongs among the best in Europe. Or the May Day Rubber Plant in Puchov and Skloplast in Trnava. We are noting the first results also in textile enterprises, in agriculture, and in the food industry. We would be happy if this movement was faster.

[Question] What is the proportion of federally managed industry in the Slovak economy?

[Knotek] Almost 48 percent. So that when I talk about what is within our powers, I am talking about the remaining 52 percent. Of course, we must by political and economic means apply pressure on all the manufacturers in Slovakia. We must decisively improve the quality of specialty and fine chemicals, the timber processing and furniture industry, and also the textile and shoe industry. I think that we have not fully utilized all the possibilities of the production capacities and advantages of these branches. However, this is not the only issue involved.

At the beginning of the year we met at an aktiv with directors of state enterprises and with the chairmen of self-management organs. Here was heard the demand to establish for the years of the Ninth 5-Year Plan mandatory indicators and norms from which will arise planning for at least 5 years. I suppose that such a demand is well founded. Also, the necessity is becoming apparent of reevaluating the economic efficiency of all state enterprises founded on 1 July 1988, not because we would want to reorganize them from their foundation but because in certain cases we have made a mistake and it is necessary to rectify this.

[Question] What specifically do you have in mind?

[Knotek] Improvisation comes to an end with our entry into the Ninth 5-Year Plan and, therefore, it is necessary to be clear about enterprise structures, although to talk about perpetuity would be a grave mistake. The conduct of enterprises as self-governing subjects perhaps will lead, for example, to their association including between the Czech SR and the Slovak SR.

In this case I must say frankly that we are open to cooperation with enterprises in the USSR and elsewhere, but internal interlinking of the Czech and Slovak economies is not sufficient. On the contrary, certain differences, as in the case of Cedok, are emerging. This is a state enterprise, founded by the Czech SR Ministry of Trade and Tourism, which functions in Slovakia. Therefore, questions of levies must be completely resolved.

The situation is the same in enterprises such as Spofa, Building Materials, and some others. We must resolve these problems. However, an important matter, such as the manufacture of drugs, perhaps ought to be coordinated from one center. It is also necessary to completely resolve the problem of competent management. Hitherto experiences in this province are rather ambiguous. Therefore, in Slovakia and in Bohemia centrifugal forces have arisen but in the interest of a united Czechoslovak economy it is necessary to overcome them. How? By improving management.

[Question] We are not capable of quickly achieving essential progress throughout the national economy. However, we should be able to move forward in certain directions and in selected sectors. Which of these are in the Slovak SR?

[Knotek] We realize that we cannot fundamentally change the situation everywhere but we can in certain spheres, for example, at the 29 August Plant (ZDA) in Partizanske, in the manufacture of footwear. We cannot delay in solving this problem any longer. We must come to terms with this problem at the most within 3 years so that we can start talking not only about the amount but also about the quality and assortment of products. After agreement with federal organs, we want, during the course of 3 years, to provide new technology for Grafobal Skalica to solve packaging problems in the food industry and also the production of packaging for toothpaste, and so on. Appropriate programs are being worked out in the textile industry as in the consumer goods industry. I am also being informed about measures that are being adopted in Calex in Zlate Moravce for the manufacture of refrigerators and freezers. Further, we

want to reach the level where Slovakia produces at least 4 million tonnes of grain crops each year, which is no easy task. It is the same with the production of potatoes and beets. But there is another immediate problem—the necessary technology. The manufacturers of agricultural technology act self-critically, however, that does not solve the problem.

We will not have the resources or the strength for everything. Therefore, the government and departments have a great political and economic responsibility to decide on their priorities.

[Question] Accelerated structural changes are necessary in the form of a shift of proportions between basic national economic complexes, new demarcations of export branches, and the substantial expansion of some and the limitation of other products and output. The need for such interventions was only talked about in the past. We paid dearly for it and are still paying for it. Opinions are forming that the situation is repeating itself.

[Knotek] It is necessary to say that the question of structural changes is not new. But the conditions under which we will operate are new. In the past each department prepared the necessary materials; today in the spirit of the restructuring of the economic mechanism we must consider them again. They will be placed on the agenda of meetings of the planning commission and the Slovak SR Government. We are considering the broad presentation of opposing views. Naturally, academic institutes and the enterprise sphere must express their opinions.

It is very important that our ideas—those that we want—match the interests of our partners in the USSR and elsewhere, and that the production branches that we will modernize bring long-term results and are capable of reacting to world markets. Structural changes are not a single campaign and they cannot be put off either. They are necessary. By reducing production costs, introducing self-financing, and improving efficiency we must create the resources so that these programs can be carried out. On the other hand, it is unreasonable, to say the least, to consider that the state must give enterprises resources, because the state needs the enterprises. Yes, the state will contribute to the changes in the enterprises by changing the economic instruments, and the bank by providing credits, but the vital matters are up to the enterprise. Of course, the enterprise will not resolve or decide everything.

An extremely important question connected with structural changes is machine-building production in Slovakia. It accounts for more than 30 percent of CSSR machine building production. Special production which it is necessary to convert—in connection with international detente—into civilian production, also belongs here. This is no secret. The economy requires this. The changes are necessary, however, introducing them quickly must not mean introducing programs without good prospects. The new programs must be a contribution our entire economy.

Today it would be very unwise if we were to turn the criticism toward the enterprises themselves. Together with them we must seek ways of solving problems. This not only concerns enterprises with special products but, for example, Kovosmalt in Filakovo, the Slovak Fixtures Factory in Myjava, and others.

This year the CSSR Government will discuss metallurgy, and electrotechnical and other concepts. Thus, we are not only verbally announcing the changes, we are implementing them in the spirit of the federal government statement. We will contribute to raising the efficiency of production in Slovakia and in the whole of the CSSR by structural changes.

[Question] When will you take the first specific steps?

[Knotek] During this and next year. For example, the organizational structure of the paper industry must be finalized and new technology lines must be bought so that, by 1991 at the latest, our entire market will be guaranteed sanitary goods. Similarly, we are counting on the fact that, during 2 or 3 years, improvements will be made in the chemical, glass, and food industries. However, I want to stress once more: The basic condition is that we create more resources.

Perhaps we are making a joint mistake—in central organs and in the enterprise sphere—by talking about changes while genuine realization is slow. This dulls interest and initiative. Therefore, it is very correct that particular steps and measures follow on after the government's policy statement. When we fulfill the statement—this year we will make the program changes—next year we will be able to say that it was successful. Not only our self-confidence will grow but, at the same time, the interest and the support of the people. This we will urgently need for the way will by no means be easy. In more than one case this will involve unpopular measures.

[Question] Unpopular measures? Do you mean, for example, the closure of factories? Social policy has gradually lost the function of a strong and effective instrument for the involvement and the motivation of the people. Will not the winding up of ineffective operations and factories create even more social tension?

[Knotek] I suppose that the closure of ineffective production is unavoidable. But let us look at the matter comprehensively. We lack a series of products, a whole branch of services is understaffed. Just like the construction and the consumer goods industries. Therefore, unemployment should not arise in the CSSR, neither theoretically nor practically. However, particular problems will manifest themselves somewhere and, from the point of view of some people, injustices. We will not

follow the road of constructing new factories but, overwhelmingly, of modernizing technology. So it is clear that somewhere we will regroup the labor force. What else can be done—the market does not want certain products. To continue manufacturing them means employing people for this production who are needed elsewhere. For example, this concerns the Gumon plant of Kablo Bratislava. We do not need kilometers of cables manufactured for stock.

[Question] Do you think it is possible, as in the USSR, to lease out ineffective operations and factories?

[Knotek] This would perhaps work in individual cases of certain small ineffective product lines. Under our conditions, in the next few years we will probably not lease out enterprises to workers' collectives. At this stage I would give priority to the more effective use of the existing base of social ownership of the means of production. Services are another matter; in this case, I think, we have not made use of, for example, the experiences of our comrades from the GDR. In agriculture there are similar examples. This concerns farming in isolated areas, in the mountains.

[Question] In essence, the historically evolved differences in the life of the Czech and Slovak nation have been overcome. Now the issue involves the development of a single economy. In what do you see the contribution of Slovakia in this regard? The citizens, perhaps, will have an unequivocal opinion. They impatiently await an increase in the production of video cassette recorders, color televisions, automatic washing machines, and freezers.

[Knotek] In harmony with the conclusions of the 17th Communist Party of Czechoslovakia [CPCZ] Congress, it is possible to say that, in essence, the differences in the lives of the citizens of Bohemia and Slovakia, which arose in history, have been overcome. With sincere, true feelings we express our gratitude to the Czech working class and intelligentsia which, in carrying out CPCZ policy, played a decisive role in eradicating the backwardness of Slovakia. The Slovak economy now makes its own contribution—it accounts for more than 30 percent of the CSSR national income. This is a process that is indisputably aimed at one thing—to improve, on the basis of balance, the bilateral share in building a united Czechoslovak economy.

Therefore, we must get rid of everything extraneous that introduces various deformations into our relations. For instance, how each of us foots the bill for the other.

The second part of the question is correct, namely, all over our homeland people are waiting for refrigerators, freezers, televisions, and other products, the final assembly of which is carried out in Slovakia. It would be simple to say that this is not a matter for the Slovak economy, since the federal ministries manage these enterprises. But you put it correctly, the enterprises are in Slovakia. We feel that we share responsibility for them.

As far as video cassette recorders are concerned, the joint enterprise of AVEX in partnership with Philips should produce 70,000 units this year, at least 40,000 of them will appear on the domestic market. At this stage, interstate negotiations are drawing to a conclusion on the modernization of Calex refrigerators and freezers. The capacity which was established almost 40 years ago is not sufficient. Therefore, possibilities are being sought of buying foreign licenses and complete technological assembly lines. Negotiations have taken place with representatives from Japan, the FRG, and Italy. Now it will be definitely decided. There is also a problem with the production of television sets. We are counting on the fact that Tesla Orava will manufacture 395,000 color television sets this year. [RUDE PRAVO on 15 March on page 2 issues a 50-word "correction" in which it states that this figure should read 359,000] This will be 42,000 more than the enterprise manufactured last year and this is a good trend for the future.

I could talk about other products, about automatic washing machines, apartment fixtures, and so on. All the enterprises have the same problem—obsolete manufacturing technology assembly lines. Their modernization is a joint task. And, speaking sincerely, we did not duly appreciate contemporary development. We contented ourselves with the fact that the factories are operating, but we forgot that the increasing standard of living necessitates consumer electronics and other goods. This lack of foresight, without talking about personal responsibility, costs us dear. That is, then, the reality. Now it is necessary to seek real solutions and ensure that there are enough of the demanded goods on the market.

[Question] Both of our republics have their own specific problems. Which ones characterize Slovakia?

[Knotek] First and foremost, the social center—the capital city of the Slovak SR, Bratislava. Today, Petrzalka has 140,000 inhabitants but an inadequate transport system. A further problem is the completion of the development of East Slovakia, particularly Kosice, which today has more than 200,000 inhabitants. In Slovakia we have the High Tatras, a mountain range which deserves to have the problem of its protection in the face of destruction tackled by us more rapidly and comprehensively. It is unpleasant to have to say that, although the ecological problems in the Czech SR are indisputably more severe, in Slovakia 25 years ago 3 percent of the forests were damaged but today the figure is more than 40 percent. The cleanliness of water is also a serious issue. Also extremely important is the comprehensive protection of the land and an improvement in its fertility. After all, in our republic only 50 percent of the land is suitable for agriculture.

A serious problem is the question of the gypsy population. We are talking about more than 220,000 inhabitants who live mainly in the East Slovak and Central Slovak region. Some of them have already been integrated into social life and society values them highly, but the remainder causes us significant problems. You can see that we have our own specific problems and among them also "sore" ones.

[Question] What are you doing to ensure that the people know about these problems, that they are aware of the approaches of the government? Furthermore, it is necessary to improve the system of the frank flow of information on the work of the government. Do you consider this to be sufficient?

[Knotek] I think that the demand for a public information flow, which comes to us together with restructuring, is very correct. The government can adopt the best possible resolutions, however, if the people do not know about them, they cannot be fulfilled. I think that every member of the government considers it his duty to react to the questions which appear in the mass media and about which people write. At least every 6 months, I myself ought to answer questions of principle asked by journalists. In the interest of improving information, we adopted the resolution that every member of the government is obliged to appear personally in the mass media.

We have decided to issue a biweekly information bulletin of the Slovak SR Government. Further, we are setting up the position of government press secretary in order to achieve closer cooperation with the mass media. All members of the government are informed about all complaints and employees' letters addressed to the government. In their letters people react sensitively to the situation in the internal market and other problems. However, they are mostly interested in how restructuring will progress, they want to help in this undertaking. And certainly together we will manage to fulfill the aims of restructuring.

[Interviewers] Thank you for the conversation.

Population Statistics for 1988 Reviewed

AU2003151489 Bratislava SMENA in Slovak 18 Mar 89 pp 1, 5

[CTK report: "Population Development in the CSSR in 1988"]

[Summary] According to data from the Federal Statistical Office, in 1988 the CSSR population increased by 36,953 to 15,624,021. At the end of last year, the Czech Socialist Republic had a population of 10,360,480 and the Slovak Socialist Republic a population of 5,263,541. Prague had a population of 1,211,106 and Bratislava 435,499. Brno, Ostrava, Kosice, Plzen, Olomouc, Usti nad Labem, Hradec Kralove, and Liberec each have more than 100,000 people. In 1988 there were 217,165 live births in the CSSR, which is about 1,600 more than in 1987. "This is the first time since 1975 that the number of births increased compared to the previous year." The number of abortions is increasing: For every 100 babies born in 1988, there were 93 abortions, and in Prague, the North Bohemian region, and Bratislava, there were more abortions than births. Compared to 1987, the number of marriages decreased while the number of divorces declined slightly. Despite this, the number of divorces is very high: of every 100 marriages in the CSSR, almost 33 end in divorce, and in Prague, more than 50. Average life expectancy did not increase; among the European countries, the CSSR is at the bottom of the statistical table: only Hungary, Poland, and the USSR are further down. Infant mortality dropped to the lowest level ever last year: Of 1,000 live births, 11.9 infants died before reaching 1 year of age. The average total fertility of women in the CSSR is higher than in the West European countries and in the majority of the socialist countries, with the exception of Poland and Romania.

Leipzig Fair Yields Foreign Contracts, Agreements

Fair Continues Into 4th Day

AU1703210589 East Berlin NEUES DEUTSCHLAND in German 16 Mar 89 p 1

[Text] Leipzig (ND)—Lively trading also characterized the 4th day of the fair at the international trade center of Leipzig. Important import and export agreements have again been concluded. Low-voltage switchgear from the Ceramic Works in Hermsdorf, for example, and automatic power switches from the Electrical Appliance Works Combine in Berlin, worth about R18 million, will be exported to the USSR. A corresponding contract was signed by the Electrical Household Appliance foreign trade enterprise and the Soviet Sovelectro foreign trade enterprise. The delivery represents a significant contribution to the mechanization of Soviet agriculture. In addition to that, agreements for the mutual delivery of electronic components in the coming year were concluded with the Soviet Union. The TAKRAF [transportation equipment, conveying equipment, and cranes] foreign trade enterprise will procure 20 tower slewing cranes from the USSR in 1990.

The WMW [machine tools and tools] foreign trade enterprise and the Stroyimport Prague foreign enterprise concluded an agreement on the delivery to the CSSR of a flexible machine system for machining large prismatic gray cast-iron castings. The main supplier of the equipment is the VEW RAWEMA, an enterprise of the Heckert Combine in Karl-Marx-Stadt.

Agreements on the mutual supply of metallurgical products were concluded with the People's Republic of Poland. The GDR will procure hot rolled strip, sectional steel, and deep-drawing sheet steel in 1989, and export cold rolled thin sheets and seamless steel tubes. Low-voltage switchgear worth R15 million will be supplied to Poland by the "Friedrich Ebert" Electrical Appliance Works Combine in Berlin-Treptow.

Contracts worth over M30 million were signed between the SKET foreign trade enterprise and partner enterprises covering the procurement of dust extracting equipment for briquetting plants from Hungary and Poland. The UNION foreign trade enterprise will procure bathtubs from Romania this year to implement the housing program. The GDR will supply flat knotting machines to Italy.

USSR, Bulgaria Sign Contracts

AU2003105089 East Berlin NEUES DEUTSCHLAND in German 17 Mar 89 p 1

[Excerpt] Leipzig (ND)—[Passage omitted] The lively business activities also continued on the 5th day of the fair. The Soviet Union ordered six Atlantik 488 factory trawlers and a Kristall II refrigeration vessel. Mutual deliveries worth R37 million in the sector of communication electronics were agreed upon with the People's Republic of Bulgaria for next year. [passage omitted]

Daily Reports Official Meetings

AU1703211389

[Editorial Report] East Berlin NEUES DEUTSCHLAND in German on 16 March on page 3 carries five reports, ranging from 100 to 200 words, on meetings between GDR officials and foreign officials at the Leipzig Spring Fair on 15 March.

The first (100 words) is a report on the meeting between GDR Deputy Foreign Trade Minister Wilhelm Bastian and Costa Carlos Zuniga, deputy minister of industry and trade of the Republic of Ecuador, who "discussed the current state of the realization of the existing economic agreements."

The second report (150 words) deals with the meeting between GDR Foreign Trade Minister Beil and Hans-Gerd Neglein, member of the executive board of the Siemens AG company. The talk focused on "possibilities of how to increase GDR deliveries to the Siemens AG company and the joint realization of projects in third countries."

The third (200 words) is a report on the meeting between Guenther Wyschofsky, GDR minister of chemical industry and chairman of the GDR side of the Joint Commission for Economic and Technological Cooperation between the GDR and the Islamic Republic of Iran, and Mohsen Mehralizadeh (spelling as published), deputy minister of heavy industry of the Islamic Republic of Iran. The partners in the talk stressed that "through the existing long-term agreements a solid basis has been created for guaranteeing a high level of economic cooperation to the advantage of both countries in the future."

The fourth report (150 words) deals with a meeting between Herbert Roloff, general manager of the Industrial Plant Import Foreign Trade Enterprise, and Dick Boyle, vice president of Honeywell Incorporated Minneapolis. The two sides agreed on continued "economic and scientific-technological cooperation between GDR foreign trade enterprises and the Honeywell concern."

The fifth report (150 words) deals with a meeting between Udo-Dieter Wange, GDR minister of district-managed industry and foodstuffs industry, and Hamilton Green, prime minister and first vice president of the Cooperative Republic of Guyana. Hamilton Green toured foodstuffs combines, thus "familiarizing himself with their efficiency." He expressed his country's interest in "further intensifying economic cooperation with the GDR."

FRG's Rau Holds News Briefing

AU1403171189 East Berlin NEUES DEUTSCHLAND in German 13 Mar 89 p 2

[Text] Leipzig (ADN)—In Leipzig he had the opportunity to have a good talk with Erich Honecker, North Rhine-Westphalian Minister President Johannes Rau stated at an international news conference in Leipzig on Sunday [12 March] immediately after this talk. Rau stressed the continuity of these contacts and in this connection stressed that this was his 10th meeting with the state council chairman and general secretary.

According to him, the main subject of the talk were issues of bilateral relations between North Rhine-Westphalia and the GDR. He pointed out that 31.5 percent of the FRG's trade with the GDR go to his land. Rau expressed satisfaction that the proportion of investment goods and machine-building products in North Rhine-Westphalia's deliveries to the GDR has doubled over the past years. He was pleased about the GDR's interest expressed at the meeting in concluding further deals with North Rhine-Westphalia in view of the rationalization of its industry and the next 5-year plan. In the talk with Honecker a scope of 500 million valuta marks was mentioned for next year. Negotiations on this will be continued after the Leipzig Fair. The minister president emphasized the importance of these orders for his land's medium-sized industry.

Rau said that cultural relations, including the arts and culture days of North Rhine-Westphalia in Leipzig scheduled for autumn, sister city agreements, cooperation in environmental protection, and tourist traffic were discussed. He advocated the further expansion of bilateral relations in all fields and in this connection he quoted Erich Honecker, who had emphatically agreed with a recent statement by Chancellor Helmut Kohl, who assessed this development as very good.

Concerning tourist traffic, the minister president reported that, according to Erich Honecker, the number of trips by GDR citizens to the FRG and Berlin (West) currently amounts to 5 million per year and has increased by 4 percent in January and February this year.

Rights Groups Side With Jailed CSSR Members

LD2003121789 Hamburg DPA in German 1151 GMT 20 Mar 89

[Text] East Berlin (DPA)—Several events organized by environmental, peace, and human rights groups in the GDR on Sunday evening appealed for solidarity with civil rights campaigners in the CSSR who were arrested in January. Some members of the groups said on Monday that at the gatherings in some eight towns and villages, including Leipzig and East Berlin, the situation in the CSSR was reported. There were also readings from the works of the imprisoned author Vaclav Havel. Support for him came in a statement from the GDR PEN Center and the GDR Deputy Culture Minister Klaus Hoepcke.

FRG Border Laws Said To Have 'Shooting Orders'

LD1603162289 East Berlin Voice of GDR Domestic Service in German 0515 GMT 15 Mar 89

[Gerd Schmiedel commentary]

[Text] FRG officials and mass media again criticize the GDR border regulations, considering safety measures at our state border as unreasonable and as a burden. There was talk about shooting orders, although the GDR defense minister stated, also over FRG media, that such orders do not exist.

Yesterday, ADN disclosed that shooting orders exist in FRG laws. There is the law about applying force and exerting special authority by Bundeswehr soldiers and civilian guards, or the law about applying force for safeguarding public law and order by authorized FRG officials. These laws contain the passage: Firearms can be used to stop a person trying to evade identification despite repeated orders to stop running. An aimed shot is to be fired if the person tries to flee despite a warning or a warning shot. The law says explicitly that this applies to border forces also, so there are shooting orders for members of armed FRG organs.

Despite the ADN report, available at noon, none of the FRG media mentioned it. The superregional papers did not mention it either. DIE WELT, published in Bonn, or FRANKFURTER ALLGEMEINE ZEITUNG—with a volume of 60 pages that day—did not write a line about it. It was probably not just due to the fact that these regulations were known by these papers for a long time.

However, the question remains whether FRANKFURTER ALLGEMEINE ZEITUNG, DIE WELT, Deutschlandfunk and so on ever have critized these laws. Was there an outcry that these legal orders, the shooting order, could be a burden to relations or even an unreasonable demand? Hardly, one's own orders are obviously considered a confidential matter, while one advises others about what is right or wrong, counting on the ignorance of readers or listeners.

'Hooligans' Destroy Border Security Facilities

AU1403104389 East Berlin NEUES DEUTSCHLAND in German 13 Mar 89 p 2

[Text] Berlin (ADN)—On 10 March 1989 in the afternoon three hooligans made a violent attack on the GDR border with Berlin (West). The lives and health of members of the border troops were endangered and border security facilities were destroyed. One person was slightly injured while being arrested by the GDR border security forces.

Press Views Practices at West German Mission

AU2003114189 Cologne Deutschlandfunk Network in German 0605 GMT 20 Mar 89

[From the Press Review]

[Text] The FRG press today comments on the GDR authorities' treatment of GDR citizens who want to enter the FRG mission. WESTFAELISCHE NACHRICHTEN writes: Following the coming into effect of the new GDR travel and visit regulations, more GDR citizens than ever before seem to want to leave the GDR. For this reason, East Berlin has not only increased the number of guards but has also instructed them to prevent GDR citizens from entering Bonn's mission. Of course, this should not be brought about by means of open violence in the street. This is in contradiction to the prestige-mindedness of the GDR, which is aimed at increasing the country's international reputation. Rather, the GDR security forces are making efforts to discourage GDR citizens through questions and—mostly incorrect—information during checks in front of the building. This includes such simple tricks as "the mission is closed." Citizens who try to explain why they want to enter the building incur a penalty because, in accordance with a GDR law of 1963, GDR citizens are only allowed to contact foreign missions and representations via the GDR Ministry of Foreign Affairs. That this law is rather unique in the whole civilized world need not be stressed. In addition to that, it reveals the value that the GDR accords to human rights and human dignity, as well as to international conventions.

Krolikowski Addresses Diplomats on Disarmament

LD0603215689 East Berlin ADN International Service in German 1740 GMT 6 Mar 89

[Text] Berlin (ADN)—The GDR will actively work for speedy results at the conferences on conventional disarmament and confidence-building which opened in Vienna. The latest far-reaching initiatives of the Soviet Union, the GDR, and other socialist states to carry out unilateral disarmament measures will lend fresh impulses to the struggle for peace and disarmament. This was underlined on Monday in Berlin by Dr Herbert Krolikowski, secretary of state and first deputy GDR foreign minister, to deputy foreign ministers and other senior diplomats from Bulgaria, the CSSR, Cuba, Poland, Romania, the Soviet Union, and Hungary. The guests are in the GDR capital for consultations.

The advance concessions of the socialist states, said Herbert Krolikowski, helped to reduce mutual concerns and aided the start of conventional disarmament. So far an appropriate response from NATO to these initiatives is still lacking, however. In this connection the GDR official referred to the need to prevent any modernization of nuclear short-range missiles.

The representatives of the foreign ministries concurred in noting that the socialist countries will continue to do everything to advance the process of disarmament and detente in the interests of social progress in the world. They underlined that great international efforts are needed in the future, too, to continue on the path already taken toward solving regional conflicts, which represent a latent danger to peace. A basic condition for the elimination of conflict remains strict adherence to the principles and norms of international law such as respect for sovereignty, the right to self-determination, and noninterference. This applies equally to Central America, the Middle East, southern Africa, and other regions.

The participants assessed the results of the last summit of the Central American presidents in El Salvador as an encouraging step. Nicaragua's constructive contribution to bringing about a stable peace in the region was praised all around.

Daily Reader Explains 'Inability To Attack'

AU1303133689 East Berlin NEUES DEUTSCHLAND in German 10 Mar 89 p 2

["-ng" commentary: "What Does Inability To Attack Mean?"]

[Text] Reader Werner Holzer from Magdeburg asks what inability to attack means and how it can be achieved.

This refers to a central topic of the Vienna negotiations on conventional armed forces and armaments in Europe. The 23 Warsaw Pact and NATO states regard "the elimination of the ability to launch surprise attacks and to initiate large-scale offensive actions" as a priority issue.

At present, the two military alliances confronting each other on the continent possess sufficient forces and means to launch an attack or a counterattack if a conflict arises. Attack aircraft and offensive missiles, attack helicopters, tanks, heavy mechanical units, large artillery units, reconnaissance units with mobile bridging equipment, and many other things are part of their conventional offensive weapons systems. Therefore, major cuts have to be made in the offensive potentials to maintain a stable balance of conventional armed forces at a low level and to reduce the imbalances and asymmetries that exist on both sides. Only in this way can the inability to attack be achieved at the end of an undoubtedly complicated process of negotiations.

The Warsaw Pact states have made important advance concessions by their joint military doctrine and the unilateral reduction of their troops, weapons, and defense budgets. The objective proclaimed by the military doctrine adopted in Berlin in 1987 is the "reduction of armed forces and armaments to a level where each side, while guaranteeing its own defense, does not have the means to carry out surprise attacks on the other side or general offensive operations."

The socialist states regard the two military pacts' structural inability to attack as the ultimate objective of the negotiations in Vienna. This includes explicitly defensive concepts aiming at the prevention of war, a military arsenal characterized by the absence of especially offensive components, transparency to the other side, and verifiability by inspections on the spot. The 3-stage plan which was submitted by our alliance of states in Warsaw in July 1988 and reaffirmed at the beginning of the negotiations shows the way. Whether and when these ideas become reality is likely to depend mainly on the 16 NATO states' conduct during the Vienna negotiations.

Security, Cooperation Committee Issues Statement

AU0603114289 East Berlin NEUES DEUTSCHLAND in German 3 Mar 89 p 6

[Statement issued by the participants in the meeting of the GDR Committee for European Security and Cooperation, held in Berlin on 2 March: "Statement"]

[Text] The participants in the meeting unanimously adopted a statement at the close of their discussions, which was read by Christa Grossmann, the committee's general secretary. The statement reads as follows:

The public in the GDR has welcomed with satisfaction the results of the Vienna follow-up meeting and the constructive work of the GDR delegation in cooperation with the 35 CSCE states.

At the third follow-up meeting, the implementation of the Helsinki Final Act was discussed and decisions were adopted. We highly appreciate the fact that a mandate for negotiations on the disarmament of conventional armed forces from the Atlantic to the Urals, scheduled to start in a few days' time, has finally been given to 23 states. We welcome the agreement on further negotiations of the 35 CSCE member states on confidence-building and security measures in Vienna.

In view of the destructive potential that has been accumulated on our continent, and which is sufficient to destroy the whole globe, not only Europe, and in view of the fact that the earth's two most powerful military coalitions are facing each other here, we expect and demand swift negotiations with substantive results.

We wholeheartedly support the unilateral disarmament measures, announced by the GDR, and the reduction of the armed forces and armaments in the USSR and other socialist countries. This demonstrates once again to the states and peoples that words and deeds, aimed at the safeguarding of peace, are in agreement in our country. We hope and call for corresponding steps on the part of the NATO states.

It fills us with deep sorrow that, in sharp contrast to the expectations of the peoples of Europe, influential NATO circles are advocating the so-called modernization of nuclear, chemical, and conventional weapons, including compensation for the missiles eliminated under the INF Treaty, prior to the start of the Vienna negotiations.

We want a common European home that is not packed with weapons from the basement to the attic, but in which its inhabitants can coexist peacefully and in fruitful cooperation. To achieve this aim, the GDR Committee for European Security and Cooperation cooperates actively with all who consider the safeguarding of peace the prime necessity.

The delegations to the Vienna talks on the reduction of conventional weapons and the promotion of confidence bear great responsibility toward their peoples, and the public will see to it that they meet this responsibility. We are in favor of not allowing a pause in the disarmament process, which is vital for the existence of mankind.

'Conclusive Evidence' of Poison Gas Stocks

AU2003120989 Hamburg WELT AM SONNTAG in German 20 Mar 89 p 1

["H.V." report: "Poison Gas Stocks at Seven Locations in the GDR"]

[Text] According to corresponding reports by Western intelligence services, there is "conclusive evidence" that there are at least seven deposits of chemical warfare agents in the GDR.

Proof has been furnished that at least five poison gas deposits are under Soviet control. Evidence has been supported by, among other things, photographs that were taken within the framework of satellite reconnaissance.

The spokesman of the Soviet Foreign Ministry, Gennadiy Gerasimov, confirmed only a few days ago that no chemical warfare agents are stored in the Western glacis of the Warsaw Pact. This applies to the GDR in particular, he stressed.

Number of People With Access to Secrets Reduced

AU1803171389 Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 Mar 89 p 2

[Karl-Heinz Baum dispatch: "Soon Fewer People With Access to Secrets"]

[Text] Berlin, 17 March—At present the number of so-called "people with access to secrets" is being considerably reduced in the GDR. Corresponding observations by diplomats were confirmed by GDR judicial circles at a reception of the legal department of the FRG Permanent Mission in East Berlin on Thursday evening [16 March]. According to this, at the beginning of the year the four "levels of secrecy"—"for official use only," "classified," "confidential," and "secret"—have been replaced by only two levels of secrecy—a low one and a high one.

For the past few months every single function and every person affected have been checked as to whether they fall under the new regulations concerning the protection of secrecy or not, it was said. Since the beginning of the year the persons affected have been newly sworn in. Experts from the GDR judiciary expect that about one-fourth to one-third of the current people with access to secrets will not be sworn in again; thus, these people will no longer be cut off from contact with others: They will be permitted to receive visitors from the West or to go themselves to relatives in the West.

The FRG Government had called on the GDR to reduce the number of its "people with access to secrets." Observers point out that this step by the GDR leadership also meets the wishes of many people affected, who have practically had to forego trips to the West and contacts with relatives because of their "duties." "A middle-echelon official of the city administration will be taken out of the group of people who are banned from having contacts, but probably not the cleaning lady in a State Security facility," an expert says.

NATO's 'Old Fears, New Tricks' Criticized

AU1603142989 East Berlin NEUES DEUTSCHLAND in German 16 Mar 89 p 2

["He." commentary: "Old Fears, New Tricks"]

[Text] The most serious threat to NATO is—no, it is not "the East's overwhelming superiority," its ability to carry out "large-scale offensives," and similar things that may be stated. The most serious threats to those who stick to their outdated stereotyped methods because of political power calculations or in the interest of the super profits from the arms buildup are the peace program, the disarmament proposals, and the socialist states' unilateral advance concessions in disarmament.

Disarmament as a whole does not fit into the concepts of headstrong persons. Wimmer, parliamentary state secretary in the FRG Defense Ministry, even regards the INF Treaty between the Soviet Union and the United States as "a wrong approach." And now there are the negotiations on the reduction of conventional armed forces and armaments in Vienna. If progress were made there, would one not have to finally give up the old twaddle about a threat and the doctrine of deterrence which, as is known, provides for the first use of nuclear weapons?

Wimmer says no. "The nuclear component has to be preserved." Even more: "The FRG has to be interested in possessing nuclear delivery means." Only somebody who "himself has nuclear delivery means" will have a say in the "planning process for stability in Europe." The height of this grotesque logic is: "Precisely if we want to participate in the discussion in the spirit of disarmament, this" (that is, arms buildup) "is very important."

In order not to leave Wimmer alone with such outdated, unrealistic, and dangerous theses, Berger, chairman of the Christian Democratic Union Federal Committee for Security Policy, acknowledges that "a minimum of credible deterrence," that is, adequate nuclear systems, which "have to be technically modernized in time, is unrenounceable." He further specifies: "Priority should be given to systems with longer ranges"—air-based and ground-based systems with ranges up to 500 km, that is, weapons by which the INF Treaty has been actually dodged.

Here the influential NEW YORK TIMES, which normally does not sympathize with disarmament at all, has had a more reasonable idea. The NATO allies will "have to counter" the socialist peace policy and disarmament proposals "by a convincing European security concept, and it is not enough to stir up old fears and study new tricks."

Honecker Salutes Newly Elected Berlin Mayor

LD1603184689 East Berlin ADN International Service in German 1755 GMT 16 Mar 89

[Text] Berlin (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, sent the following letter of congratulation to the SPD chairman in Berlin (West), Walter Momper, on the occasion of his election as governing mayor of Berlin (West):

"On your election as governing mayor of Berlin (West) I send you my warm congratulations. I wish you and the Senate led by you much success in your responsible activity for the well-being of the population of Berlin (West).

"I am sure that it will be possible, through joint efforts, to develop relations to mutual advantage and to make a valuable contribution to peace and detente in Europe."

The mayor of the capital Berlin, Erhard Krack, also sent a letter of congratulations.

Former Intelligence Chief on Stalin Era Purges

AU0903092489 Frankfurt/Main FRANKFURTER RUNDSCHAU in German 9 Mar 89 p 2

["zba" report: "GDR Should Reappraise Stalin Era"]

[Text] Berlin, 8 March—The former chief of the GDR's intelligence service, Marcus Wolf, has suggested that the GDR reappraise the era of Stalinist "purges" in the Soviet Union in a "honest" and "sincere" manner. In a documentary on playwright Friedrich Wolf, which was aired by the GDR television on Tuesday evening [7 March], his son Marcus reported on the life of his family that fled from the Nazis to the Soviet Union during the thirties. In this connection, he also mentioned "the trials and purges that took place at that time in Moscow." "Many close friends and relatives" of the family were affected, he pointed out. Asked whether this had been discussed between the father and the son, Markus Wolf

replied: "Of course, we talked about this, but maybe not so much at that time. After the war, however, when another phase of purges was launched immediately before Stalin's death, we did discuss this topic."

These purges and trials were viewed as "something absurd that was difficult to explain, and which was incompatible with our thoughts, with our ideas about the development of socialism and communism." The former chief of the intelligence service, Wolf, has written a book in which he describes himself as a supporter of the policy of glasnost pursued by Soviet leader Mikhail Gorbachev. The book, entitled "The Troika: Story of a Film That Was Not Shot," will be published within the next few days both in the GDR and FRG.

The documentary was repeated on Wednesday [8 March] on GDR television. It had been aired previously, shortly before Christmas, without the statements by Wolf. This was criticized by writer Stephan Hermlin in an interview with the Hamburg news magazine DER SPIEGEL in February.

Leaders' Public .' ppearances for 2-8 Mar
AU1003205789

[Editorial Report] East Berlin NEUES DEUTSCHLAND in German from 3-9 March reports the following appearances of GDR leaders (date of publication and page number in parentheses):

The following members and candidate members of the Politburo of the Central Committee (CC) of the Socialist Unity Party of Germany (SED) attended a festive reception, during which Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, presented awards to meritorious women on the occasion of 1989 International Women's Day, in Berlin on 8 March: Willi Stoph, chairman of the GDR Council of Ministers; Horst Sindermann, president of the People's Chamber; Hans-Joachim Boehme, Horst Dohlus, Werner Eberlein, Kurt Hager, Werner Jarowinsky, Heinz Kessler, Guenther Kleiber, Egon Krenz, Werner Krolikowski, Siegfried Lorenz, Erich Mielke, Harry Tisch, Inge Lange, Gerhard Mueller, Gerhard Schuerer, and Werner Walde. (9 Mar, p 1)

Politburo members Werner Eberlein, first secretary of the Magdeburg SED bezirk leadership, and Werner Krolikowski, secretary of the SED CC, attended a conference on sugar beet cultivation in Magdeburg on 2 March. (3 Mar, p 2)

Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, swore in the new health minister, Klaus Thielmann. Willi Stoph, chairman of the GDR Council of Ministers, received Leonard Cornelis Brinkman, minister of culture, welfare, and public health of the Kingdom of the Netherlands, in Berlin on 8 March. (9 Mar, p 2)

Hans-Joachim Boehme, Politburo member and first secretary of the Halle SED bezirk leadership, attended a National Front meeting in Halle on 2 March. (3 Mar, p 2)

Army General Heinz Kessler, Politburo member and minister of national defense, received Colonel General Boris Todorov, deputy minister of defense of the Bulgarian People's Republic, in Berlin on 6 March. (7 Mar, p 2)

Guenter Kleiber, Politburo member and first deputy chairman of the GDR Council of Ministers, attended a reception given by Abdelmajid Bouab, ambassador extraordinary and plenipotentiary of the Kingdom of Morocco, in Berlin on 3 March. (4-5 Mar, p 2)

Egon Krenz, Politburo member and secretary of the SED CC, chaired a meeting of the election committee of the republic in Berlin on 3 March. (4-5 Mar, p 1) Egon Krenz attended a dinner given by Horst Sindermann, Politburo member and president of the People's Chamber, in Berlin on 6 March. (7 Mar, pp 1,2)

Inge Lange, candidate member of the SED CC Politburo, attended a ceremony during which a literature prize was awarded to writer Christiane Barckhausen in Berlin on 7 March. (8 Mar, p 2) Inge Lange attended a ceremony during which Willi Stoph, Politburo member and chairman of the GDR Council of Ministers, presented awards to meritorious women on the occasion of 1989 International Womens' Day in Berlin on 8 March. (9 Mar, p 1)

Guenter Mittag, Politburo member and secretary of the SED CC, received Jozef Lenart, member of the Presidium and secretary of the CC of the Czechoslovak Communist Party in Berlin on 2 March. (3 Mar, p 2) Guenter Mittag opened an SED CC seminar in Leipzig on 8 March. (9 Mar, p 1)

Erich Mueckenberger, member of the SED CC Politburo, attended the opening of an exhibition at the house of the GDR-Soviet Friendship Society in Berlin on 2 March. (3 Mar, p 8)

Margarete Mueller, candidate member of the Politburo, headed an SED delegation attending the 14th congress of the Communist Party in India, which opened in Calcutta on 6 March. (7 Mar, pp 1, 2)

Gerhard Schuerer, candidate member of the SED CC Politburo, deputy chairman of the GDR Council of Ministers, and chairman of the State Planning Commission, attended a festive event during which awards were presented to members of the planning organs in Berlin on 4 March. (6 Mar, p 2)

Party Spokesman on Possibility of Election Loss
LD1803042289 Budapest Domestic Service in Hungarian 2100 GMT 17 Mar 89

[Text] The Hungarian Socialist Workers Party [MSZMP] accepts the possibility of not winning the first democratic elections and therefore of having to go into opposition. This was stated by party spokesman Laszlo Major in his statement to the Spanish news agency EFE. He added that the MSZMP also accepts having the same rights and obligations as all other political parties. However, he noted that the majority of the party membership is certain that the MSZMP will receive a majority in the next election.

If this majority is only a simple one and not an absolute majority, then the MSZMP will be ready to accept a coalition. What is more, party spokesman Laszlo Major said, it is also willing to do this before the election.

MSZMP Committee Proposes Amending Party Rules
LD1803024889 Budapest MTI in English 1436 GMT 17 Mar 89

[Text] Budapest, March 17 (MTI)—In an effort to improve in-party democracy, a working committee of the Hungarian Socialist Workers' Party (HSWP) has worked out a proposal on amending the party rules of organization, on freedom of opinion within the party and the theoretical and practical issues of what is referred to as "freedom of platform."

According to the proposal, all party members have the right to expound any question at any party forum, to come up with political initiatives and to cooperate with others, or, in other words, to set up a platform towards implementing the initiative. The confines of the freedom of platform are marked out by the valid party programmes, congressional resolutions and the rules of organization.

Should a party member or a group of party members remain in the minority in the discussion of a given issue, they will be obliged to keep to the party's decision, while they can maintain their position and ask for the revision of the debated resolution.

On the other hand, it is proposed to ban the organization of factions within the party as political groupings that violate the principle of openness and voluntarism.

The proposal has been put up for discussion to HSWP members.

Daily Sees Price Controls as Ineffective
LD1703193289 Budapest MTI in English 1256 GMT 17 Mar 89

[Text] Budapest, March 17, 1989 (MTI-Econews)—The national price office is not in a position to exercise control over the market. All it can do is stop the intention of companies to raise prices, though it is aware that certain price rises are motivated by wasteful business management and a desire to make easy money.

Instead of such intervention, an automatic price regulation is needed, writes the Friday [17 March] edition of "NEPSZABADSAG".

It names as a case in point the prices of fertilizers, aluminium and coal. The producers complain the domestic prices lag behind world market prices, but users protest any intention for price rises.

The HSWP [Hungarian Socialist Workers Party] daily says the only realistic yardstick should be a strong convertible forint, capable of acting as real money.

The daily admits that making the forint convertible would in itself send prices soaring. The paper says a single substantial rise in prices could be followed by parallel wage increases, and an economy running at a higher price and wages level would yield considerable advantages.

The party daily argues that turning the forint convertible would attract an import competition which would take over the regulatory role of the market, a role the price office cannot really play.

The daily admits the changes would shake companies which are in a privileged position due to the lack of an import competition.

Diplomat Views UN Rights Session on Romania
AU1703143089 Budapest MAGYAR HIRLAP in Hungarian 13 Mar 89 pp 1, 3

[Interview with Gyorgy Szelei, one of the Hungarian diplomats who participated in the recent meeting of the UN Commission on Human Rights held in Geneva, by unidentified reporter, at Budapest Ferihegy Airport on 12 March: "The UN Commission on Human Rights—The Background to the Votes"]

[Text] The Hungarian diplomats who participated in the Geneva meeting returned home on 12 March. Our correspondent asked one of them, Gyorgy Szelei, about further possible steps by the United Nations following the declaration of the Romanian delegation that its government considers the decision of the UN Commission on Human Rights to be null and void.

[Question] The commission will appoint a special delegate in charge of examining the violation of human rights in Romania. Can this task be carried out without cooperation from Bucharest?

[Szelei] In this case, the special delegate will have to rely on other sources to prepare his report. He can use the specialized agencies of the United Nations, UNESCO, the International Labor Organization [ILO], or WHO.

He can also obtain material from nongovernmental organizations. The member states will also discuss the report next year and will discuss the facts that they found and each country's cooperation with the UN Commission on Human Rights. If necessary, they will also extend the mandate of the special delegate. The recent decisions in Geneva will also be discussed in a wider arena of the United Nations, such as at the meeting of the Economic and Social Council to be held this May in New York.

[Question] Both the Hungarian and Romanian delegations had observer status at the Geneva meeting. However, they obviously became acquainted with the stands of individual countries. Did you speak with the Romanian delegation?

[Szelei] In every case in which there is a vote, the delegations do not work separately from each other, even following the vote. We spoke with every delegation, as we were one of the coauthors of the proposal in question, and we were curious to know their opinions. We met with the Romanian delegation at the meeting of the East European regional group, but we did not talk about this issue because there was not a common stand on the Romanian issue there.

[Question] No European country voted against the proposal, but the Cuban and Chinese delegates did vote. Other socialist countries—Bulgaria, the GDR, the USSR, and the Ukraine—did not take part in the vote. Yugoslavia abstained. What did they say about their reasons for this?

[Szelei] China and Cuba do not recognize the role of a special delegate in the area of human rights, and they consider this a form of interference in a state's internal affairs. Yugoslavia abstained for similar reasons, although, as its representatives said, they would have voted in favor of the proposal if it had only condemned Romania's national minorities policy. It seems that the other socialist countries have already exceeded this stand, and I consider this to be an essential step forward.

[Question] On the basis of what information did the commission make its decision, and who broached this subject in the preliminary speeches?

[Szelei] Nongovernmental organizations like Amnesty International or the International Federation of Human Rights presented their information. However, delegates of individual countries, particularly the West European countries, also arrived at the meeting well prepared. For example, the address of the Spanish foreign minister on behalf of the EEC was based on this, and he condemned three countries for violating human rights: Romania, Burma, and Iraq. Hungary also expressed its stand, which was presented by State Secretary Gyula Horn, but the circle broadened as delegates of countries outside Europe also broached the Romanian situation.

Government Signs 1951 UN Refugee Convention

LD1803002189 Budapest MTI in English 1552 GMT 17 Mar 89

[Text] Geneva, March 17 (MTI)—Hungary has joined the UN Refugee Convention of 1951 and the supplementary protocol signed in 1967 on the status of refugees, it was announced by the spokesman for the UN High Commissioner for Refugees in Geneva on Friday [17 March].

The ratification documents were presented to the UN secretary-general on March 14. Hungary is the 106th signatory and the first East European party to the convention.

Hungary's membership was initiated in late January by the inter-departmental committee in charge of handing the affairs of foreign citizens in Hungary. In February, for the first time since the foundation of the organization, the office of the UN High Commissioner for Refugees sent a delegation to Budapest to work out details.

Groups Protest Blasting at Danube Barrage

LD1703131189 Budapest Domestic Service in Hungarian 1100 GMT 17 Mar 89

[Text] The news conference on the Danube water barrage organized in the Budapest Kossuth Club by the Danube Circle, the Alliance of Free Democrats [SZDSZ], and the Hungarian Democratic Forum [MDF], is still underway. Here is Gabriella Szilagyi's report:

[Szilagyi] On 8 March the National Assembly decided that it would debate the issue of the Gabcikovo-Visegrad-Nagymaros water barrage system only in May. According to the premier, until then the government will only allow construction work which will not cause irreversible changes. On 8 March the Danube Circle issued a statement in which it asked for an unequivocal guarantee that further blasting would not take place, that no more trees would be cut down, and that bulldozers would stop their work. The investors, as a matter of fact, want to blast an additional half-million cubic meters or so of rock from the Danube's riverbed.

Yesterday local inhabitants who are Danube Circle members indicated that blasting had been carried out on 15 March. This morning they asked Miklos Szanto, managing director of the national enterprise for water investment projects, whether he knew that blasting was continuing. Szanto confirmed that blasting is continuing but added that he had no knowledge of the steps carried out yesterday. He said he will investigate yesterday's actions.

For this reason, the Danube Circle, the MDF, and the SZDSZ are currently issuing a protest that closes with the words: We consider this to be a cynical disregard of the promise by the premier. We protest the continuation of this blasting. We await the premier's urgent and reassuring measures.

Nemeth Continues Hague Environment Talks

Addresses Gathering

LD1103210789 Budapest MTI in English 1750 GMT 11 Mar 89

[Text] The Hague, March 11 (MTI)—A large-scale international conference opened in The Hague on Saturday [11 March] to discuss the most burning issues of environmental protection, with special regard to the tasks related to the protection of the ozone layer. The conference, which is attended by 24 heads of states and governments from five continents, was addressed by Hungarian Prime Minister Miklos Nemeth.

Mr Nemeth emphasized, among other things:

'Here in The Hague we aren't talking about affairs of state or about bilateral or multilateral politics, but we place in the spotlight the future and fate of humanity.

'Man loves deciding freely. If he wants to stay alive, no more unrestrained decision can be taken on his relationship with nature. We are in a tight corner, under pressure that we cannot ignore. We have no time to lose. We must act.

'For our future to take a turn for the better we need a fundamental change in our thinking, our policies and our practical actions. We must work together. The problem is global. We cannot find a solution if we experiment in isolation. On the altar of short-term national and economic interests we cannot sacrifice the common future of humanity.

'Religion and ideology divide us. But let us all have a common belief and religion to unite us: the safeguarding of our earthly surroundings. This uniting force must dominate those political and economic forces which are able to influence the fate of our world, as well as the experts responsible for selecting appropriate technologies. This demands a fundamental change in approach starting from the roots of education all the way to the reinterpretation of national vested interest.

'We in Europe want to construct a common house where we all feel at home. But in this European house, we breath the same air as Africans and Australians do. And to prepare for the future we must safeguard the purity of the air and not manufacture more gas masks.'

'We all know that today environmental protection demands enormous funding. And even those countries that lack funds have the right to breathe fresh air and to enjoy a healthy environment. We must not let the countries of our world be divided on the road to a common objective by differences in their financial possibilities. We need a realistic approach which in both the formulation of the requirements and the monitoring of compliance respects the differing capabilities of individual countries. We should not focus on imposing sanctions against those who do not abide by certain norms but rather our attentions should be directed on how to help those countries comply.

'Financiers and financial institutions are not guided generally by charitable considerations but by the best return on their investments. They are extremely practical and mercilessly pragmatic. Their mentality also needs some changing. They do not have to turn their back on pragmatism and utilitariansim. They must understand only one thing: Wherever they live in the world, the yield on investments for the protection of the environment is always the highest, even if this yield cannot be translated into figures on a balance sheet.

'Our conference well reflects the recognition, also, that environmental problems—next to the issues of disarmament and human rights—require different continents and governments of different social systems to commit themselves jointly and to share responsibility in this field.

'We have a common fate and our problems are also similar. This is why we have to share our experience and coordinate our concepts and united we have to formulate practical solutions.

'If this is so, a positive perspective will open up for us. Our conference and the draft joint declaration are important milestones in the struggle to prevent the end of human civilization after only a couple of thousand years of history by an ecological catastrophe, or to condemn it to a slow, irreversible decay.

'In Hungary for many years we did little for the protection of the environment. In recent years we had to realise that we cannot postpone action any longer, and must closely coordinate it with the actions of other countries.'

'This is why we joined the international agreement which aims to protect the ozone layer and were happy to receive an invitation to join in this outstanding conference.

'From our side we will do everything to implement the letter and the spirit of the Hague declaration, for this conference to form the basis of a new type of international cooperation,' the Hungarian prime minister said.

Departs 11 Mar

LD1103223389 Budapest MTI in English 2038 GMT 11 Mar 89

[Text] The Hague, March 11 (MTI)—Hungarian Prime Minister Miklos Nemeth and his entourage left for home Saturday night.

Interviewed on Results

LD1203213689 Budapest MTI in English
1628 GMT 12 Mar 89

[Text] Budapest, March 12 (MTI)—Miklos Nemeth, chairman of the Council of Ministers, who had attended an environmental summit of 22 heads of states and governments in The Hague, returned to Budapest Saturday [11 March] night.

Mr Nemeth was accompanied by Laszlo Kovacs, deputy foreign minister, Gyorgy Perczel, deputy minister of environmental protection and water management, and Laszlo Mohai, adviser to the prime minister.

On board of the plane returning to Budapest, Mr Nemeth gave an interview to the special correspondents of "MAGYAR HIRLAP", the Hungarian radio and MTI.

Concerning The Hague declaration, the prime minister said:

"This appeal, this declaration is not a conventional international agreement. It is rather the first stage of efforts to focus attention on the importance of protecting the atmosphere, and The Hague conference served this aim efficiently. It must be clear, however, that the bulk of work is still ahead of us. Air pollution knows no state boundaries, nor can we draw boundaries in the biosphere. If The Hague declaration remains the mere initiative of 24 countries, it will not be really successful. As stressed by Dutch Prime Minister Ruud Lubbers in the closing consultation, it would be important for a growing number of states to join the appeal, and strengthen international cooperation in preventing environmental pollution.

"It was rather conspicuous that the great powers were missing from The Hague conference. The declaration was signed by neither the United States, nor the Soviet Union. I think their absence was not due to any political reason and did not mean that the two countries were not supporting the cause of environmental protection. During his visit to Moscow, President Mitterrand made mention of the idea of The Hague declaration, which was welcomed by the Soviet side."

Concerning his bilateral talks in The Hague, Mr Nemeth said "The meetings with the Dutch, the Swedish and the French prime ministers lasted for a relatively longer period of time. I exchanged views with Federal Chancellor Helmut Kohl of the FRG, and Prime Ministers Felipe Gonzalez of Spain, Gro Harlem Brundtland of Norway and Brian Mulroney of Canada. My meetings with Presidents Francois Mitterrand of France and Husni Mubarak of Egypt lasted for some minutes. The partners showed keen interest towards the events in Hungary, gave voice to sympathy, and emphasized the necessity of a coordinated and well-calculated pace of advance. Particularly Felipe Gonzalez stressed that it was a crucial task to plan and organize the programme of peaceful transition to democracy. Some of my partners even said that fifty years later history-books would include two models for democratic transformation, the Spanish and the Hungarian ones.

We exchanged views on the expected effects of the single European market to be established by 1992. On this score, Ingvar Carlsson stressed the importance of close cooperation with the non-member countries even in the phase of preparations so that this step should not divide Europe. He said that the Swedish Government, the social democracy, and the EFTA countries would make efforts to prevent division.

"An international conference like that creates good opportunities for making acquaintances, establishing new contacts, reconfirming former invitations, and coordinating programmes. Some of my negotiating partners reconfirmed my invitation to their countries. For instance, I am expected to visit the Netherlands late autumn, and the Norwegian prime minister invited me to the conference on environmental protection in Bergen, and proposed to pay an official visit to Norway simultaneously. Federal Chancellor Helmut Kohl reconfirmed that he would visit Hungary in any case in the second half of the year. Prime Minister Ingvar Carlsson also plans to visit Hungary not later than early next year."

Nemeth Speaks at Tire Factory Opening

LD1803001789 Budapest MTI in English
1545 GMT 17 Mar 89

[Text] Budapest, March 17 (MTI)—A new steel radial tyre plant of Taurus Rubber Company was formally opened in Budapest on Friday [17 March] afternoon, with Prime Minister Miklos Nemeth attending.

The 1,600 million forint project is the first stage of a World Bank-financed restructuring scheme worth 5,000 million forints. With the help of the U.S. Firestone technology, the new plant plans to produce an annual 400,000 steel radial tyres for buses, trucks and other transport vehicles. The bulk of tyres usable up to the limit of 150,000 kilometres is to be sold on convertible markets. This year's sales returns are expected to reach 35 million dollars.

In his opening address, the prime minister stressed the importance of continuous adaptation to world market demands as the only way of solving economic problems. He said that, despite the pressure of balance requirements, external and internal economic balance should be attained not by safeguarding obsolete production but by carrying out the subsidy restriction scheme aimed at restructuring.

Mr Nemeth pointed out that the managers and workers of Taurus have set an example in pursuing perspective development and business policy. They have proved that it is possible, even under the conditions of the widely

discussed impersonal state property and the ensuing short-term attitude, to manage a company efficiently if managers and employees want to prosper, the prime minister said.

Aspen Institute Conference Opens in Budapest

Nemeth Speaks at Dinner

LD1703001489 Budapest MTI in English
2128 GMT 16 Mar 89

[Quotation marks as received]

[Text] Budapest, March 16 (MTI)—Hungary is interested in every kind of all-European cooperation. Due to its geopolitical location and historical and cultural traditions, the country has a vested interest in the peace and security of Europe, and the development of peaceful co-existence into peaceful cooperation, stated Miklos Nemeth, Hungarian prime minister, at a gala dinner held on the occasion of the Budapest conference of the Aspen Institute on Thursday [16 March]. The gala dinner was also addressed by Lothar Spaeth, minister-president of Baden-Wurttemberg.

Mr Nemeth said that assuming the role of a 'bridge' is a fundamental feature of Hungary's foreign policy.

'We are a small nation in the heart of Europe. For this reason, it is important for us that Hungarian foreign policy enjoys the active support of various countries, irrespective of their social system. The role of a bridge inseparably blends our alliance with the Soviet Union based on independence and sovereignty with the openness of Western relations and the development of economic, political and cultural relations with Western states.

In Hungary we are experiencing a period of particularly accelerated political and economic changes. The Hungarian Government is committed to breaking the deadlock through a change of model. This aim can only be attained through reforms and balanced, self-confident progress. The social forces must be concentrated on the implementation of reforms so that the forces of dividedness and discord do not gain the upper hand... It is particularly important for us to square reform with the demand of stability. Our legal, economic and political reforms are indispensable for us to adjust ourselves to Europe but all reforms should consider that instability might endanger European cooperation as a whole, the Hungarian prime minister said.

Discussing international issues, Mr Nemeth pointed out:

We are aware that an unprecedented amount of weapons has been stockpiled in Europe. We must also be aware that the weapons and the arms buildup are effects and consequences—a reflection of contradictions between systems and ideologies. For this reason, the turn in Soviet foreign and security policies is of utmost importance.

The new way of thinking and the elimination of ideology from inter-state relations reflect the recognition that priority has been given to interdependence, a guarantee for survival, over the concept of class struggle. Security based upon an arms buildup can never be reliable. Instead, we must start from the concept of sufficient security based on arms reduction.

The new way of thinking was not confined to the rhetoric of perestroyka but manifested in practical steps. It is enough to refer to the unilateral reduction of armaments and troops by the Soviet Union which was followed by several East European countries including Hungary. The reduction and relocation of military forces are fundamentally confidence and security-building measures since they decrease threat and eliminate the possibility of surprise attacks.

The international conference of the Aspen Institute, based in West Berlin, started in Budapest on Thursday under the title "East-West Economic, Technical and Ecological Cooperation in the Common European House". The conference is attended by 45 participants and it is the first of its kind to be held in a European socialist country.

On the first day, the participants exchanged views on security policy issues with Gyula Horn, Hungarian state secretary of foreign affairs, attended a roundtable on economic issues at the editorial board of the MAGYAR NEMZET daily, and held a debate on East-West economic relations. At lunch, Imre Pozsgay, member of the HSWP [Hungarian Socialist Workers Party] Political Committee and minister of state, delivered a paper entitled "1992: An East European Aspect".

In the afternoon, the participants held consultations on financial issues with senior executives of the National Bank of Hungary, and on the Hungarian foreign policy with Geza Kotai, head of department at the HSWP Central Committee.

Grosz Meets FRG's Spaeth

LD1703234389 Budapest MTI in English
1042 GMT 17 Mar 89

[Text] Budapest, March 17 (MTI)—HSWP General Secretary Karoly Grosz met Lothar Spaeth, minister-president of Baden-Wurttemberg, FRG, in Central Committee Headquarters on Friday [17 March] morning.

Herr Spaeth is in Hungary to attend the four-day international conference of the Aspen Institute.

Rezso Nyers Speaks 17 Mar

LD1803003189 Budapest MTI in English
1834 GMT 17 Mar 89

[Text] Budapest, March 17 (MTI)—In the eighties the urgent necessity of restoring European unity came into the foreground of political thinking in both the East and

the West. The political dividedness of the continent is expensive and dangerous, and does not make for the tackling of common problems that pose a challenge to both parts of Europe, emphasized Rezso Nyers, member of the HSWP Political Committee and minister of state, at the working lunch of the Aspen Conference in Budapest on Friday. The first conference in a socialist country of the U.S. founded and West Berlin based conference centre is discussing the topic of 'East-West Economic, Technical and Ecological Cooperation in the Common European House.'

Mr Nyers pointed out:

We hold the position that the extension of internal democracy is indispensable for integration into a European structure that implies a final break with the cold war in both East and West. We expect from Europe a framework for economic modernization and development that will pave the way for integration.

Europe may expect us to take an active part in establishing a bridge in Europe, accelerate the removal of obstacles standing between the two parts of the continent, and the success of our reforms and participation in creating an attractive form of socialism that can be integrated into Europe, Mr Nyers emphasized.

On Friday the participants in the Aspen Conference visited the Ministry of Environmental Protection and Water Management, and met Minister Laszlo Marothy.

Varkonyi Continues Visit to UK, Holds Talks

Meets Geoffrey Howe 16 Mar

LD1603143289 Budapest MTI in English 0845 GMT 16 Mar 89

[Text] London, March 16 (MTI)—In the course of their Wednesday [15 March] meeting, Peter Varkonyi, minister of foreign affairs, has invited Sir Geoffrey Howe, secretary of state for foreign and Commonwealth affairs, to pay another visit to Hungary. The leader of the British diplomatic corps was pleased to accept the invitation. Following their talks, the Hungarian foreign minister told MTI's London correspondent that both parties held that the relations between the two countries were settled and progressing well.

In the course of their friendly and cordial conversation, they said the relations of the two countries were not burdened by any problems requiring special attention. Thus, they were able to concentrate on finding new ways for a closer cooperation, as well as discuss current international questions. Sir Geoffrey Howe praised the reform endeavours under way in Hungary, and pledged the British Government's sympathy and support. Peter Varkonyi stressed that the Hungarian Government would welcome an increase in the interest British business circles take in the new business opportunities opening up in Hungary.

In survey of the international situation, they focussed their attention on the two simultaneous conferences on European disarmament and confidence building, which have recently started in Vienna. The British foreign state secretary regarded the atmosphere of the Vienna opening conference, as well as the numerous common elements in the positions of the two sides, as promising signs. He stressed that by building on the common elements, a compromise agreement seemed feasible. The problems should, however, be tackled step by step, instead of waiting for the time when the problem complex could be dealt with in its entirety.

The Hungarian foreign minister considers it a new element in the international situation that the two big powers unanimously reject the possibility of a nuclear war or a war fought by other means.

In the course of the dinner given in Mr Varkonyi's honour, Sir Geoffrey Howe said in a toast that he was convinced the relations between the two countries and peoples would expand in each walk of life.

In his reply, Mr Varkonyi expressed his conviction that the unfolding Helsinki process could turn Europe into a harmonic unity which would safeguard the freedom and security of not only countries and peoples, but also of minority groups and individuals.

Meets Thatcher, Others

LD1603211989 Budapest MTI in English 1947 GMT 16 Mar 89

[Text] London, March 16 (MTI)—British Prime Minister Margaret Thatcher met Hungarian Foreign Minister Peter Varkonyi in London on Thursday [16 March]. Mr Varkonyi is paying an official visit to the British capital at the invitation of Sir Geoffrey Howe, secretary of state for foreign affairs. The British prime minister gave a particularly warm welcome to the Hungarian foreign minister at No 10 Downing Street. After a consultation lasting for half an hour, Mr Varkonyi told the London correspondent of MTI that the British prime minister showed extraordinary interest towards the latest developments in Hungary and the reform policy.

Mrs Thatcher highly appreciated Hungary's achievements in the field of economic and political reforms. 'I only hope that the resolutions and changes are successful,' she said. The British prime minister expressed the hope that the success of the Hungarian venture would promote the reform process that has started in other socialist countries. She emphasized that the success of the Hungarian reform process would have a positive effect on the future of all socialist reforms.

Mrs Thatcher laid particular emphasis on her government's efforts to strengthen relations with Hungary. She reconfirmed that her government would encourage the British businessmen to show keener interest towards joint ventures, cooperation deals and capital investment in Hungary.

The sides discussed the possibility of closer Hungarian-British cooperation in the international Peto Foundation. Mr Varkonyi recalled previous cooperation and said Hungary expected more active British involvement in publicizing the renowned educational method of the Peto Institute in Britain and the other parts of the world. The prime minister spoke in terms of great appreciation about the institute and its method, and qualified British participation in the international Peto Foundation as very important.

Before his visit to Prime Minister Margaret Thatcher, Peter Varkonyi met George Robertson, Labour spokesman on foreign affairs. The sides established that the HSWP [Hungarian Socialist Workers Party] and the Labour Party maintained smooth relations. Mr Robertson emphasized that his party highly appreciated the ties and was following Hungary's reform policy with keen attention.

Then the Hungarian foreign minister held talks with William Waldegrave, minister of state for foreign affairs. The parties surveyed issues related to the genuine further development of bilateral relations which were not discussed in detail with Sir Geoffrey Howe the previous day. Mr Varkonyi raised the idea that the Hungarian Government would like to return to Hungary the ashes of Lazar Meszaros, minister of defence during the Hungarian war of independence in 1848-49, who is buried in Britain. In awareness of the legal complications, it was agreed that the British party would further examine the possibility. Mr Waldegrave is soon to visit Hungary.

In the morning, Mr Varkonyi visited Westminster Palace where he held a consultation with the president and the members of the British-Hungarian parliamentary group. The MPs, who foster relations between the countries, followed with keen attention Mr Varkonyi's answers to their questions on the current political and social processes in Hungary.

Returns, Notes Interest in Reform

LD1803053589 Budapest Domestic Service in Hungarian 1730 GMT 17 Mar 89

[Excerpt] Foreign Minister Peter Varkonyi has arrived home from Britain. He was interviewed at Ferihegy Airport this afternoon by Zsuzsa Simonsics:

[Simonsics] How do the British view our reform concepts?

[Varkonyi] I met with great interest everywhere. I could say that there is an intense interest in Hungary, coupled with a very deep sympathy and a readiness to help matters these days. By now it is as if they, too, would be willing to participate in all the things that we want to do, with primarily economic cooperation. They recognize that we celebrated 15 March in an orderly, disciplined, and peaceful manner, and this can only raise the credit and prestige of the country's reform policy.

[Simonsics] Have the British asked you about Hungary's neutrality?

[Varkonyi] Yes. They referred to [Soviet] Academician Bogomolov. I told them repeatedly what Bogomolov had also said, that it was a hypothetical question to which he was going to give a hypothetical answer. Politicians generally do not deal in hypotheses. The situation is that our policy aims at the simultaneous dissolution of the alliance systems, preferably tomorrow, but we are not considering neutrality.

We held an exchange of views about the issues of international, and particularly European, security, as well as about the regional crisis spots.

British Foreign Secretary Sir Geoffrey Howe and I are linked by a strong, old friendship. I told him that in my opinion the world had changed, in that a great era was coming to a close and a new one was beginning, even if many people do not realize it. The postwar era, in my view, has ended. Cooperation between nations really can take place to solve those global problems which require necessary joint efforts by all mankind, efforts that already have been necessary. [passage omitted]

Envoy to Afghanistan Returns for Consultations

LD1703220589 Budapest MTI in English 1807 GMT 17 Mar 89

[Text] Budapest, March 17 (MTI)—Mihaly Golub, Hungarian ambassador to Afghanistan, has returned from New Delhi to Budapest for consultation.

Hundreds Protest in Gdansk Against Government

AU1903172389 Paris AFP in English
1717 GMT 19 Mar 89

[Text] Gdansk, Poland, March 19 (AFP)—Hundreds of young people waving black flags and shouting anti-government slogans demonstrated here Sunday against the authorities and against ongoing talks between the government and opposition.

Under the banners of radical opposition youth organisations, and accompanied by troops of riot police, the demonstrators marched through the streets of this northern city, calling for the resignation of Polish leader General Wojciech Jaruzelski and shouting slogans such as "Down with price increases". Some demonstrators shouted the name of Andrzej Gwiazda, a Solidarity leader opposed to any compromise with the government.

The march wound up in front of the central train station, where youth leader Janusz Waluszko, 26, addressed the demonstrators. Mr Waluszko criticised Solidarity leaders for taking part in roundtable talks with the government and called for a boycott of June legislative elections which he said were certain to be "fixed."

At the roundtable talks which began in Warsaw on February 6, the government proposed electoral reforms which could give the opposition 40 per cent of parliamentary seats in the June voting. Youth opposition leaders have criticised the reforms as "not entirely democratic."

Roundtable Legal Reform Team Holds Last Meeting

LD1803070489 Warsaw PAP in English
2230 GMT 17 Mar 89

[Text] Warsaw, March 17—The "roundtable" subteam for law and court reform held its last meeting today. The debates were co-chaired by Lukasz Balcer and Adam Strzembosz.

The subteam continued a discussion started yesterday on a draft report summing up its debates. Zbigniew Augustynowicz, a representative of the Government Press Bureau briefed PAP on the results of the debates.

At the outset the opposition-Solidarity side raised the issue of the need to take into account some changes in the judiciary contained in the law on amending the Constitution now being prepared. This pertains to the introduction of the principle of the irremovability of judges to the Constitution with a simultaneous determination of the exceptions to this principle, lifting terms for judges of the Supreme Court and a constitutional establishment of a national judiciary council.

In light of a difference of stands, the members of the subteam decided to pass on some matters to be solved by the team for political reforms. This concerns, first: the issue of the active participation of a judge in the activities of political organizations during his term. In the opinion of the opposition-Solidarity side, judges' membership in political parties should be suspended during their terms while in the opinion of the coalition-government side, a judge could remain a member of political organizations.

The matter of situating the prosecutor's office in the system of state bodies was also tabled to the debates of the political team.

The matter of lifting the death sentence was also submitted to the team for political reform. In the opinion of the opposition-Solidarity side, there is a need to lift this punishment immediately while in the opinion of the coalition-government side, the final stance on this matter should be taken following social consultations, no later than the end of this July.

The opposition-Solidarity side—which a day earlier withdrew from a postulate of introducing the so-called small, fast amendment of the penal law—once again submitted its stand in which it forwarded motions to lift or change about 20 regulations of the penal law, the offences law, penal procedure and the law on the office of minister of internal affairs.

Team for Mass Media Convenes for Sixth Meeting

Final Communique Issues Debated

LD1803063189 Warsaw PAP in English
2152 GMT 17 Mar 89

[Text] Warsaw, March 17—The 6th meeting of the "roundtable" sub-team for mass media was devoted today to negotiating the contents of a draft of the final communique. The debates were chaired by: Bogdan Jachacz and Krzysztof Kozlowski.

An editorial commission, set up earlier, submitted a draft document to the debates of the sub-team. The document is made up of several main parts covering both joint decisions and differences of opinion.

The draft contains a number of chapters on the proposed reforms of the press law and the law on censorship, the management of paper in Poland and publications appearing in the so-called second circulation, radio and TV, and questions of the journalists' professional ethos.

Both sides unanimously decided that the editorial commission would continue working on the eventual text of the final communique on the work of the sub-team. The two sides decided that the next, probably the last, meeting would be held on Wednesday March 22.

Subteam Official Interviewed

LD1803102789 Warsaw Domestic Service in Polish 1800 GMT 17 Mar 89

[Text] [Announcer] Dariusz Fikus, editor, participant at the talks in the subteam for mass media, representing the opposition-Solidarity side.

[Begin Fikus recording] The assessment of the condition of the mass media is a joint one. We are satisfied with what we have done. Both sides are satisfied. We want to shape the new information order. There is consent for changes in the law on censorship, on the return to certain rules of 1981. The issue concerning anyone being able to establish a magazine, a publishing house in Poland, is also accomplished. Two issues are difficult. The issue of television, access to television, our participation, social control over television. These are the issues which [words indistinct]. The fight for each word is going on. Everything depends on how the fortunes of this country will evolve. If there is a genuine will for the process of democratization of this country, then I think that this agreement will be implemented. [end recording]

SD's Lesniak Views Meeting

LD1803063489 Warsaw PAP in English 2313 GMT 17 Mar 89

[Text] Warsaw, March 17—Mieczyslaw Lesniak, who takes part in the work of the roundtable sub-team for mass media on behalf of the Democratic Party (SD), said during a press conference at the SD CC that the debates of the sub-team approached the end after long and difficult work. The signing of the final document on the new information order opens up, in his opinion, a chance to introduce new principles of press culture in mass media.

Discussing differences of opinion in the sub-team, Lesniak said that they concerned chiefly a model of radio and TV. He added also that the United Peasant Party and the Democratic Party still adhered to a stand that TV should be of a state character and be managed by a board of directors made up of coalition forces and responsible before the Sejm.

Government Holds News Briefing

LD1803064289 Warsaw PAP in English 2320 GMT 17 Mar 89

[Text] Warsaw, March 17—Members of the government-coalition side at the "roundtable" subteam for the mass media held a press conference today at present the decisions made by the subteam thus far. Numerous terms were put to detail as concerns the functioning of the press, radio and television and joint arrangements were made and discrepancies taken note of. A final document will cover them.

Roman Pillardy stated that the coalition-government side thought that there were real chances for starting up a third TV program and 5th radio program as integral parts of the Radio and TV Committee as concerns programs and organization. They would permit trade unions, associations, organizations, churches and other subjects of the pluralist socio-political life of the country to present their stands. On the other hand, the Solidarity-opposition side, in backing the idea of establishing these programs, nonetheless thinks that they should be handed over to opposition social forces, trade unions, the Catholic church and other religions. The discrepancy also relates to the very term of the legal-organizational integrity of the Radio and TV Committee as a state institution under government administration.

In the view of the United Peasant Party and the Democratic Party, in target solutions, parliamentary bodies should wield control over the functioning of radio and television. The opposition-Solidarity side presents a program of arrving at the socialization of radio and television in a different way.

In reply to a question on arrangements made regarding the verification of journalists in 1982, Pillardy stated that mistakes could have been made in reviewing various individual situations and should be looked into calmly. Such is the moral aspect of the matter, he said, adding that both sides were convinced that no one should be punished for his political views in performing the profession of journalists.

Justice Minister Lukasz Balcer held a press conference following the debates of the subteam for law and court reforms.

He said that a report had been signed covering all arrangements reached during the talks and all the discrepancies. The subteam motions to immediately introduce the regulations enhancing the independence of courts into the legal system as well as strengthening the independence of judges. The documents also concern the principle of the irremovability of judges and lifting term in the Supreme Court.

Balcer also mentioned the matters over which the sides remain at odds.

Team on Mining Continues Work at Eighth Meeting

Debates Resume 17 Mar

LD1803064889 Warsaw PAP in English 2315 GMT 17 Mar 89

[Text] Warsaw, March 17—The "roundtable" subteam for mining, co-chaired by Marian Gustek, Rajmund Moric and Alojzy Pietrzyk, held its eighth meeting today.

The meeting was to focus on a stand on work time, the economic-financial system and organizational structures, which was supposed to have been worked out by a working team set up at the previous meeting. Unfortunately, due to numerous discrepancies, the team did not arrive at agreement. Today the Solidarity-opposition side proposed another protocol of agreement which was referred to by Edward Puszczewicz, a representative of the coalition-government side. He stated that the goal of the subteam's debates was not to determine specific solutions but to indicate directions of changes in reforming mining.

On the other hand, after presenting its proposal of a joint stand, the OPZZ side motioned for the re-activation of the working group.

Team Members Interviewed

LD1803101589 Warsaw Domestic Service in Polish 1800 GMT 17 Mar 89

[Excerpt] [Announcer] Here is a report on the roundtable talks.

[Begin recording] [Unidentified correspondent] Marian Gustek, cochairman of the subteam dealing with mining matters:

[Gustek] We have discussed many issues, but we have not yet found a solution to the basic issues: work timetables, the economic and financial system, the structures stemming from it, and pay, of course [words indistinct], that is, from Monday to Friday, and pay for Saturdays.

[Correspondent] In that case, what did today bring?

[Gustek] It brought the signing of an agreement on [word indistinct] and chemical raw materials, and an agreement has been drawn up with regard to lignite, but the OPZZ side asked that the signing be postponed until next week because they want to consult with their regional units. We have formed an editing group, which is to draw up not so much a list of disagreements, but in fact, an agreement, and if certain matters cannot be discussed and agreed upon, then it should reveal them at the end as matters where discrepancies exist. [sentence as heard]

[Correspondent] Alojzy Pietrzyk, cochairman of the subteam dealing with mining matters.

[Pietrzyk] This morning I was feeling very optimistic, but unfortunately a note of pessimism has returned at the end of the day. (?We have only signed one agreement). [passage omitted] [end recording]

OPZZ Press Bureau on Talks

LD1803102189 Warsaw PAP in English 2143 GMT 17 Mar 89

[Text] Warsaw, March 17—According to the Press Bureau of the OPZZ All-Poland Trade Union Alliance, an impasse is underway in the "roundtable" subteam for mining.

Thursday's meeting of the working group which is to hammer out a draft protocol of agreement—covering issues of work time, the economic-financial system and organizational structures in mining—did not yield the expected results. Subsequently, today's, eighth meeting of the subteam, focused on further discussion on these matters. The lack of palpable results of talks leads to a waste of one's time and state money, stated Rajmund Moric, the chairman of the Federation of Miners' Trade Unions, who represents the OPZZ at the talks.

The several-hours discussion resulted in the working team being re-activated. It will work out the stance of the subteam on the basis of the submitted documents. A protocol of discrepancies will be formulated as regards matters at which the sides are at odds. The sides also tackled the problem of the role and position of workers' self-management in mines.

Participants Praise Roundtable Talks Results

LD1803102689 Warsaw Television Service in Polish 1830 GMT 17 Mar 89

[Excerpts] At the roundtable today, discussions and talks were held on mining, associations, legal and court reform, as well as on the mass media. [passage omitted]

[Begin recording] [Unidentified correspondent] What has been agreed?

[Solidarity representative Krzysztof Kozlowski, identified by caption] A lot, a lot, a surprisingly large amount. I say surprisingly, because our roundtable was almost doomed to failure by the so-called wider public opinion. We agreed on more than could have been expected, which does not mean that I am personally satisfied with the results of the roundtable. We have removed very many sensitive issues, regulations, or facts, sensitive for journalists, the opposition, for independent groups. But the (?unchangeable) question returns, which was asked at the beginning of our deliberations: who's state is it supposed to be? I don't hide, and we wouldn't hide, that our task and aim was an attempt to graduate from a state of the party to a state of the nation. We have managed to do that to a small degree. Alongside all the agreements, all the successes, if one could say that, in our work, the mass media continues to be regarded by the coalition-government side as an instrument of government, and thus something which cannot be relinquished. [passage omitted]

[Correspondent] When are we going to know the final effects of the work of your team?

[Government-coalition representative Bogdan Jachacz, identified by caption] We are to meet on Wednesday, and I think that it will be the last meeting. Quite simply we're at the finish. The joint chairman expressed the opinion that we have already achieved a large measure of accord. We have entered upon a whole array of decisions. The differences which remain are not large. We intend for another 2 or 3 days to polish up the final protocol, and I hope we'll meet for a short while on Wednesday and say thank you for the joint work done by the government-coalition and solidarity-opposition sides at our table. [end recording] [passage omitted]

Roundtable Subteam on Youth Holds Final Meeting
LD1803230489 Warsaw PAP in English
2121 GMT 18 Mar 89

[Text] Warsaw, March 18—The roundtable's subteam for youth affairs held its fifth and last meeting here. The debate presided over by Andrzej Celinski and Leszek Miller focused on the final text of the team's stance.

Dariusz Szymczycha told PAP about the course of works. In the first part of the meeting Andrzej Celinski blamed the coalition-government side that the draft position submitted for the debate differed from the one previously adopted by the working group. He stated that the draft was only a proposal made by one of the negotiating sides. As an alternative he read out a communique on the conclusion of talks by the subteam for youth affairs.

Leszek Miller in turn stressed that, indeed, the draft differed from its previous version chiefly in its structure but it was up to the plenary session of the subteam to take final decisions. He added that the proposals of the coalition-government side are a far-going concession, like on the matter of the consensus on upbringing. Miller several times repeated the question whether the opposition-Solidarity side refused to discuss the draft of a joint document.

After a break lasting almost an hour the team started to discuss concrete wording of its final stance which, adopted in a several-hour-long discussion, says that the team members agreed in being convinced that Polish young generation, despite many important differences, will, under conditions of shaping the citizens' society, reach agreement on the fundamental values based on sovereign and democratic Polish tradition and experience.

The team said that a practical implementation of the principle of free, unrestricted formation of associations is a condition of democratic social order and, in future, also of Poland's economic success. It is necessary to eliminate the limitations and all monopolies in the funcitoning and formation of new organisations and associations of youth. All of them should have the possibility to stage public meetings, publish, define their methods of work and external attributes identifying these organisations in their environment.

We believe, the document reads, that Pathfinders' movement will find organisational forms suitable for the needs of upbringing in basic values, under conditions of shaping a new social order. Hope was also expressed that it would be nobody's intention to make political divisions among children. They recognised the family as the basic upbringing environment, voiced the conviction that work in educational and self-educational organisations will focus on such values as the subjectivity of man, justice, tolerance for outlooks other than one's own, respect for national and state tradition, and patriotism. The participants also postulated changing or cancelling those regulations which run counter to the principle of free formation of associations by the youth.

The participants said that improvement of the social and material situation of the young generation depends on the condition of the whole nation. Therefore, it depends on participation of the youth in solving their problems, the pace of economy reforming, succesful implementation of the programme of the state's socialisation. They also declared equality of rights of all youth communities in their drive to ensuring themselves good conditions of life, housing included. It is postulated to adopt a permanent system of crediting and material assistance in order to fully use the possibilities and production aspirations of young farmers, improve the standards of teaching, cultural life, and health care of the rural population.

The team also said that to socialise the state's youth policy, to shape and materialise it, it is necessary to continue the social dialogue. It is necessary to find such forms of dialogue as would permit the participation of all youth circles.

The team found it indispensable to make changes leading to a democratisation of relations in schools, increasing the youth participation in taking self-governed decisions about the school, promotion of partnership in relations between pupils and the adults. They postulated granting a formal status to the now-existing committee of pupil's rights and to respective regional committees as institutions independent of the educational administration, legal guarantees of independence of pupil self-governments, giving the legal status to local and nationwide pupil congresses.

The team included in the protocol of disagreements two groups of problems. The first concerns the system of open inspection of upbringing centres which are not under the supervision of the National Education Ministry.

Disagreements also concern the pace and some directions of changes in the basic and alternative military service.

Onyszkiewicz Sees 'Impasse' at Roundtable Talks

LD1803040789 Warsaw PAP in English
2307 GMT 17 Mar 89

[Text] Warsaw, March 17—Janusz Onyszkiewicz began today's press conference attended by representatives of the opposition-Solidarity side by stating I would like to express apprehension in connection with the tabling to parliament of draft laws on the law on elections to the Sejm and senate and a package of proposals of amendments to the Constitution.

He added that, for instance, earlier arrangements reached at the roundtable were not reflected in the Sejm electoral law to a sufficient degree. This is extremely dangerous because it undermines all the arrangements which will be made during the "roundtable" negotiations, Onyszkiewicz said.

What has been submitted for Sejm debates is no joint draft, particularly as concerns the office of president and the senate and to a certain degree also the Sejm electoral law, he said.

Onyszkiewicz also said that this augured very badly for the "roundtable" talks because it hanged a question mark over the possibility of reaching agreement. Let us hope that the ongoing consultations and explanations will lead to some changes in the Sejm electoral law in the spirit of the arrangements reached earlier on, he said.

Onyszkiewicz ended his statement with a conclusion that the talks at the "roundtable" have hit a critical point. He also stated that these matters would still be raised during the debates of the team for political reforms next week and perhaps it will be possible to overcome the impasse which surfaced but it is very deep at the moment, the "Solidarity" spokesman said.

Briefing the meeting on the course of work of the working team for associations, Stefan Bratkowski stated that the draft new law on associations being discussed constituted significant progress as compared to the decree of 1932 under force. He termed the results of work at the "roundtable" in this respect as an expression of compromise.

'Surprise' at Onyszkiewicz Remarks

LD1803041389 Warsaw PAP in English
2311 GMT 17 Mar 89

[Text] Warsaw, March 17—In connection with the statement delivered at a press conference by Janusz Onyszkiewicz on the—in his opinion—impasse in the "roundtable" talks, PAP asked government Spokesman Jerzy Urban for a statement in this respect. Urban said:

"I am surprised at this dramatization of the situation. Perhaps my colleague is losing his nerve or perhaps this is negotiating tactics. I am an optimist because we have surmounted many difficulties. If the 'roundtable' talks were to fall today, society would not understand the justifications which Mr Onyszkiewicz supplies.

"The draft constitutional and electoral laws have been tabled to the Sejm so that the deputies could discuss them parallely with the 'roundtable' debates. Nothing is forejudged, both at the 'roundtable' and in the Sejm, until the plenary session passes the laws."

Solidarity Communique on Roundtable, Elections

LD1803203989 Warsaw PAP in English
1852 GMT 18 Mar 89

[Text] Warsaw, March 18—Spokesman for the "Solidarity" Janusz Onyszkiewicz passed to PAP a communique on another meeting held today by the "Solidarity" National Executive Committee KKW at which Lech Walesa was present.

The committee discussed, among other topics, the present state of the roundtable talks with special regard to the electoral law, wage indexation, social benefits, and old age pensions. Also discussed were matters linked with the upcoming Sejm elections.

Walesa's Assistant Zbigniew Bujak Interviewed

AU1703172789 Vienna WOCHENPRESSE in German
17 Mar 89 pp 44-45

[Interview with Zbigniew Bujak, "Lech Walesa's closest assistant," by Jerzy Gorski: "Reform or Civil War"; place, date not given]

[Text] WOCHENPRESSE: The talks with the government have made great progress. Do you not have to fear that history will repeat itself and a catastrophe might follow the successfully concluded agreements, as happened 8 years ago?

Bujak: It is no coincidence that the establishment of Solidarity in 1980 resulted in the proclamation of martial law. When such a large organization is founded, this must lead to changes in the existing system. Mechanisms of understanding have to be created to avoid confrontations. At that time, in 1980-81, we ourselves compared Solidarity with a train without any timetable, which must result in a collision sooner or later.

WOCHENPRESSE: And what is the situation today?

Bujak: Today, both sides at the roundtable know that they are not only obliged to legalize Solidarity, but must also create the mechanisms to reduce conflicts. One of the most important factors is the independence of the courts.

A decisive factor is whether confrontation with the government, which will always happen, will take place on the street or whether people can turn to independent

judges. We want independent courts and judges so that people can again believe in the justice of the judiciary. The government knows this, and our agreements have been promising so far!

WOCHENPRESSE: But this is only one topic of the negotiations...

Bujak: The other important topic is regional self-government. In short, our proposal provides for the abolition of the appointment of officials and the introduction of regional elections. The level of negotiations of self-government and the freedom of assembly can be regarded as good.

WOCHENPRESSE: The question of parliamentary elections has also been discussed at the roundtable. Are you satisfied with the results?

Bujak: Yes. We have consented to the restricted number of deputies agreed upon and to the planned parliamentary majority of the Communist Party. Because it is in our joint interest to finally transfer ideological confrontations on Poland's future to parliament. We will plead for calm elections, without any boycott.

One problem still remains open: We demand separate lists of candidates so that the people can clearly distinguish whom to elect. The government, however, wants a joint list.

WOCHENPRESSE: What other obstacles have to be overcome?

Bujak: One of the most important problems has not yet been solved: our catastrophic economic situation. If there is to be peace in our country, the economic mechanisms must be changed. We want a free market economy in which the mechanisms of the market and not central planning play the decisive role. The government agrees with us that economy has to be reorganized. However, its concrete decisions point in a completely different direction. Therefore, it is still very difficult to achieve binding agreements.

WOCHENPRESSE: What do you demand as regards the social sector?

Bujak: We still have not reached an agreement on the extent of social benefits, which has become increasingly important in times of galloping inflation. Our proposal to automatically grant wage increases in accordance with the rising inflation rate was rejected, which has caused strikes all over the country, which were mainly called by the official trade unions. Solidarity is trying to end these strikes where it can, in order to ease the situation.

WOCHENPRESSE: And how do the people react?

Bujak: They follow the talks at the roundtable with hope and interest. They are ready for great sacrifices and refrain from protest actions. The talks have had a soothing effect, the people are waiting for results, in order to commit the partners in the talks to rapid decisions. However, as can be seen, the government delays the decisions precisely on economic questions.

If, after this period of trust and waiting, it should turn out that the agreements do not bring any hope for the future, this will result in increased tension with hardly predictable consequences.

WOCHENPRESSE: What consequences?

Bujak: Even civil war. I do not have any illusions. Either the talks can be quickly concluded and reforms can be presented to the people or the country will stumble into a catastrophe.

WOCHENPRESSE: Have the Poles become more radical?

Bujak: Yes. The people are becoming increasingly impatient. They are waiting for decisions, however, their dissatisfaction can result in a conflict at any time.

WOCHENPRESSE: Like, for example, the latest students' demonstrations?

Bujak: This is a good example for the foolish policy of the government which agrees in principle to the legalization of the Niezalezne Zrzeszenie Studentow (NZS) Independent Students' Association, but does not want to proclaim this officially. What kind of policy is this? It only provokes such demonstrations. For it is clear that the students will continue their struggle as long as they do not hear that their organization has been legalized.

WOCHENPRESSE: There are also other struggles within Solidarity. For years, its complete readmission and now its "legalization" was agreed upon at the roundtable.

Bujak: A group of Solidarity activists is trying to turn this into a problem. They are fundamentalists who are unable to see the complete extent of the problems. They are afraid that Solidarity might lose its identity. However, this is not the point.

WOCHENPRESSE: What is the point?

Bujak: It really does not make any difference whether we have to undergo a legal procedure or not, if legalization has been promised to us. This is of no practical consequence for us. It is a natural element of all negotiations to permit the other side to save face. This is precisely the case here.

WOCHENPRESSE: How large is the group of radicals? Could it still influence the talks?

Bujak: There are several dozen people who can influence several hundreds of people. By no means are they able to disturb the talks at the roundtable. They only exercise a certain influence where we ourselves do not explain our point of view to the people.

WOCHENPRESSE: Can a split in Solidarity be excluded?

Bujak: Yes, one cannot talk of a real weakening or a split in Solidarity.

WOCHENPRESSE: What are your feelings when you face people at the roundtable who gave orders to search for you with "wanted" posters and who offered rewards for you only a short time ago?

Bujak: This was only a certain problem at the first meeting. I suppressed it later, during the negotiations. One has to proceed on the assumption that these people have changed—this is a Christian attitude.

If one pursues higher aims, one has to put one's own feelings aside.

Jaruzelski Speaks at Conference in Katowice

LD1903110489 Warsaw Domestic Service in Polish 2104 GMT 18 Mar 89

["Extensive excerpts" of speech by Wojciech Jaruzelski, chairman of the Council of State, at 18 March voivodship Polish United Workers Party report-back conference in Katowice—recorded]

[Text] Comrades, I would like to thank you for inviting me to your conference. You form the largest and strongest voivodship party organization. In the democratic structure of the PZPR, you command large influences. Both the party line and the effectiveness of its implementation depend to a considerable degree on your views, attitudes, and actions. Thus the support given to the 10th plenum resolutions, which open a new stage of changes, is particularly valuable—not mechanical support, not support taken for granted, but support born in the course of overcoming fears and doubts, genuine and considered.

Your organization's achievement is proof that the party has a strong social basis here and a right to represent it. Its nucleus is made up of workers and technological intelligentsia. That same direction is reflected by more than 6,000 admissions to the party's ranks in recent years. Each region and all the voivodships bring to the Polish achievement their indisputable contribution. The industrial epos, which your dedicated labors created in the decisive years for Poland, deserves to be particularly emphasized. And for the 5th decade, you are supplying people's Poland with coal and steel, machines and power, but you also supply it with red blood corpuscles, working class awareness, which links the feeling of a joint-host with the skill of thinking about the whole of our homeland, in the one state which we have, the only country in which we live.

I address work veterans warmly from this rostrum. This is not because the party habit so requires, but above all because some of them have a hard life today. The sun here is often too blackened with smoke to be able to warm ones bones.

Taking the opportunity, I would like to thank the departmental party organization for annuitants and pensioners of the enterprise (?Gazubudowa) in Zabrze for their letter. Your opinions and suggestions developed at a meeting with the chairman of the Central Committee Suggestions and Complaints Commission, Comrade Gabriela Rembisz, confirm the will of the leadership of the party and the government, as well as the attempts by the National Trade Union Alliance [OPZZ] to improve the material situation, to improve the way elderly people in our country feel. An institutional study of social problems, which will be presented to the national delegates conference, is supposed to serve this. We must not forget those who toiled for decades and in conditions considerably more difficult than today's. All the more so because older comrades sometimes come up against the irony, the accusation, that their work lost. That is deeply erroneous, unjust, hurtful. Work of a lifetime cannot lose, and real mistakes always have a forename and surname. I want to assure those today who worked underground for so many years, at metallurgical furnaces, in the noise of rolling mills, and in the (?bellows) of a coking plant that their difficult and stubborn work for the nation will not be wasted. They have created, after all, on this not very large patch of Poland a lasting achievement, and it will be necessary to take one apart to build another; that is how it always was. Your fathers regarded the pickaxe as a basic miner's tool and the (?cottages) as the basic form of housing. But the grandchildren, increasingly more, harness computers to work and move to new estates.

The thick smoke from the factory chimney was once a symbol of promotion, poets sung praises to it, it appeared on paintings and postal stamps. Today it is a symbol of an ecological danger, of an obsolete technology. We alone are not only experiencing a critical phase of traditional industrialization. The problem today is the fact that it has lasted too long in Poland.

Upper Silesia and the basin cannot be closed, on the other hand it can and is necessary, over the period of next few years, to alter the structure of dominating industry in such a way so that priceless cadres and gathered national assests are used to the best advantage and, at the same time, difficult living conditions in the region and damage to the invironment are reduced to minimum.

There is only one way: restructuring—gradual transformation to cleaner production—which demands higher skills and which will finally produce more and more of the most valuable component, modern human thought. It is easy to say, but it is difficult to act. We cannot run

away from questions of how to replace expired production, where to get resources for such deep technological reconstruction, what priorities are being applied. We all must seek the answers to these questions. We very much count on your daring but, at the same time, on realistic suggestions made here following some of today's speeches. An appropriate place has been allocated in today's report and discussion to the economy. I listened carefully and so did representatives of the government. Many useful experiences and well-founded suggestions should be taken into consideration. At the same time, I would like to recall that at the 7th, 8th, and 10th plenums I stressed—what was reflected in resolutions—the significance of independence and responsibility of the government and economic administration. We have decidedly entered the road toward a clear separation of the party from the management and freedom from bureaucratic ballast. Naturally, strategic problems and most of all social consequences of economic policy must still command our attention, and we will assess it on that premises. Processes influencing the life of the working people, social justice, and class policy of the socialist state will never disappear from our party's main focus.

We have opened the way for private enterprising, and we have ensured lasting, equal economic conditions. But the socialized sector will continue to be of foundamental importance; this is decided by its share in the production, in the creation of national income, in satisfying social needs. Working people are its hosts, reprivatization and a return of German masters [von unt zu] do not constitute a threat here. Socialized enterprise can and must be for other forms of unjustified preferences, donations, allowances, and reanimations stretched over many years. This is expensive and demoralizing for all.

Difficulties cannot be overcome miraculously without solid work, exactitude, and discipline. I subscribe willingly to ideas and solutions that relieve enterprises from bureaucratic accretion, from a corset-binding initiative, to everything that makes them more efficient, flexible, absorbent to innovation. But at the same time we must be decidedly against preying on weaknesses of the market, on loopholes in regulations, including profiteering.

Statistics show that wages and incomes have been growing faster than prices. However, subjective feeling is different, because in a weak market, goods are often bought under the counter by paying speculators, paid queuers [stacz], and various middlemen; in this way, a vicious circle of inflation comes into being. On the one side, prices gallop, and on the other, wages and incomes race. Let us plainly say in many cases both processes appear in the same enterprise. In short, this is the greatest dilemma of economic reform.

In many cases support for reform was demonstrated—in general but not in particular—toward others, but not toward oneself. The reform is a prescription for all ailments on the condition that the doctor prescribes it to other patients. This is illustrated by constant demands and actions connected with them.

Permit me to digress here. I remember that when in the Selce camp by the Oka River the Polish colors, red and white, were hoisted up, we all had tears in our eyes. Maybe I am old-fashioned, but even now I cannot look at our flag during ceremonies at Victory Square, on the tower of the Royal Castle, or during other respectful occasions without being moved. Unfortunately today, under this national ensign, things, distant from its great historical significance, happen: countless strikes and strike alerts, protest actions, various disorders, demonstrations—both for and against, and one does not know what for and why. I cannot look indifferently at the tarnishing of our flag, or our emblem, whether it is crowned or without a crown. I am glad that certain voices in today's discussion also confirmed that.

Tension, chaos, particularism reaching to the common pocket may water down and undermine our national opportunities. Resistance to such tendencies lies in the deepest interest of the working class; the party is an advocate of its dignity. That is why it will not flatter nor act in a coquettish way, but it will tell the truth of divergencies, of signs of group egoism, of phenomena defying the work ethos. False advisers have been and are trying to reach the working class. A spin of loud slogans and sticky adulations is heard. Populist leftism is woven, ironically, with chauvinist and anti-systemic demagogy. Who proclaims it? And why? What does he really mean? Nobody will relieve our party from answering such questions. Fashion is a mighty force, also in politics. Especially fashionable recently is a slogan to abolish party nomenclature. This is a proof of not the best knowledge of realities. Time has been passing when functions and posts were distributed according to an arbitrary indicator of loyalty.

Remainders of this practice must be and will be overcome by our party, but it cannot become a pretext for the disqualification of cadres just because they carry party membership cards. Since when do personal political views, beliefs, and outlooks decide professionalism, competence, or managing abilities? Pre-war state enterprises were managed by Pilsudski's supporters, as well as by members of national democratic opposition, and no one questioned their ability because of their political beliefs.

If, as so often happens, in democratic procedure, in open competition, our comrade wins, it shows that the party has valuable and rich cadre resources. This is being demonstrated, among other things, by the results of free elections to workers councils, to many other representative bodies. It appears that even there, party members frequently predominate, thus we do not wish for the dominance of party nomenclature nor antiparty counter nomenclature. We consider it necessary to promote really the best, regardless of affiliation. More often,

nonparty managers operate on all levels; this is not an occasional trend but a lasting one, because in economic solutions, as well as in cadre policy, everything is good if it serves progress and efficiency.

On your Silesian and basin soil, there is no shortage of people of high qualifications, used to good work and husbandry; to assemble them and to support them as a driving force of economic transformations is the key duty of the voivodship party organization. Comrades, today's debates close many months-long cycles of meetings and report-back conferences in the entire party. Their assessment escapes schematic measurements; deep transformations are taking place in the party, differential processess appear, their analysis and conclusions is the task for the approaching second national delegates conference. We count that comrades delegates, including those present here, will contribute much toward this outstanding party undertaking, by providing valuable advice at pre-conference working meetings. But even today, with some simplication, one can say that considering the dramatic situation, the scale of revaluation, the sharpness of the accomplished turn, the party has been passing historical examination. Regardless of various voices saying that many will not be able to withstand pressure, that we will lose some of our cadres, and even tnat the party will disintegrate, nothing like it has happened. A decisive majority of party people have shown consideration and political immunity. We will not go far if we surrender on different stages to fear and despondency. One should ask those commenting what are the counter proposals and what should be the concrete, realistic alternative to the general line mapped out at the 9th congress and confirmed in conditions of the new situation at the 10th Central Committee plenum.

Today, no one in the party should complain of a lack of the possibility to express and defend his views. The 10th plenum outlined the course for inter-party democracy, independence, and various experiments; we need creative thought exchange, wide and bold discussion, including discussion clubs. But the party as a whole cannot become a discussion club. Ability for joint action is indispensable: we need cohesion and a road, as short as possible, from a universally discussed and democratically adopted decision to its consistent implementation. The most important thing is enlivening and making the main link in the basic party organizations more combative, chin up. As never before, hard facts count; only an organization close to nonparty people, operating among people, successfully caring for their affairs, and hence needed for everyday, can consolidate its role in the new political landscape.

A question appears often: Will political pluralism undermine the party's position? Our role in the community and in the state depends first of all on ourselves, on our will to consolidate the existing coalition, on gaining constructive partners, on our ability to argue, fight and convince, and most of all on daring, initiatives, and successful actions. Recently we heard many peculiar objections. Allegedly the party has been conducting an antiworker, antipeasant, anti-intelligentsia, antitraders, antiyouth, antipensioner, and antifeminist policy, and considering the so-called higher death rate, perhaps also antimale policy, too. One can stretch the list of those unappreciated and losers to infinity. But this is a very bitter joke. The point is that the myth of omnipotence is still weighing on the shoulders of our party, and thus lies the responsibility literally for everything that is happening in the country. The myth has been maintained not only by our opponents. Its durability also transpires from the fact that in some party links there is still a lingering temptation for omniscience and omnipotence, inability to work in new conditions with new methods. The 10th Central Committee plenum indicated the way; we must follow it faster, more consistently, and more clearly for the community. This is the basic condition for the consolidation of the authority and mainly the success in fulfilling by the party its role. Comrades, we had been all gradually maturing toward the roundtable: the party, her allies, politically independent people, and the opposition. Everything demands its time, as has been captured by the old saying, Krakow was not built in one go. Hence, talk about 7 years wasted cannot be taken seriously.

What was possible in 1988 simply was impossible a few years earlier. Time for maturity is needed not only by a place and man, but also in interhuman dialogue. I recall that we had tested graduation of the pluralism in PRON [Patriotic Movement for National Rebirth], the National Culture Council, and in many other organizations and forms. In this place, I would like to emphasize the pioneering importance of a dialogue experiment in the shape of the Consultative Council attached to the chairman of the Council of State which has been operating for 2 and ½ years. Whoever doubts it should read published minutes from its debates and—often no less sharp—notes from the discussion at the roundtable.

The roundtable is soon to complete its work. Implementation of a joint decision will become a criterion of patriotic, civic credibility of all its participants. There is no need to chase the illusion of moral and political unity of the nation. On the other hand there is a national need for agreement on matters of utmost importance for Poland and persistent seeking of as many as possible common points. The fact that we have entered the road is our joint Polish success. If we will be able by evolutionary and responsible means to create a properly functioning model of socialist parliamentary democracy, political and union pluralism, there will be a chance for Poles to enter the history of social thought of Europe not as authors of the new version of liberum veto, but as a nation which in very difficult conditions was able to create in this part of the world new system quality. Even more so we should be sensitive, perhaps even excessively so, to everything that jeopardizes the still-fragile Polish model and threatens it.

I never thought that so many people in Poland would have a liking for theatrical gestures and poses. I observe

with embarassment how crowded it has become on the racing track for cheap popularity, including those who only just managed to exchange not so much outlooks as slogans.

Emotions are an inseparable part of the social life of every nation. Computers may be handy in organization, but they will never replace the hearts and minds of living citizens. That is why the present emotions, artificially suppressed throughout several decades, are—to some extent—understandable, even when they assume rather strange forms, as far as the end of the 20th century is concerned. More so, one has to appraise those participants of the dialogue in progress who were able to give priority to the feeling of patriotic responsibility over wrongs, grievances, and emotions. And we should jointly apraise more severely those who with such delay and with such visible difficulty have been maturing to the poet Norwid's idea of citizenship. Results of what we have decided to do in Poland first will depend on the demonstration that the presence of the opposition in political and social life yields not confrontation but healthy rivalry and that it does not disintegrate, but unites and strengthens social energy. Independent from declarations and assurances, it is obvious that every opposition strives for power.

Such is the political logic of the idea of the opposition. We are not naive. It should not, therefore, astonish us nor scandalize us. Criticism from different positions or rival aspirations and programmatic alternatives are not dangerous for the state, for the system; more so, because the values of the renewed socialism will be our, ever stronger, trump card. On the other hand, the will to undermine the systemic order, fight against state institutions, striking at social order, inflaming manipulation of history are dangerous. Transfer of the political struggle regarding the economy is especially dangerous. We will show indispensable vigilance and decisiveness in relation to such intentions and actions.

Fighting the extremist forces, showing the blind alleys to which they want to drive the country, must especially be the requirement of the agreement, an imperative. Very often, in our history of many centuries, standing on the threshold of rebirth, we were not able to rid ourselves of old entanglements. The great work of the 4-year Sejm, 1888-1892, did not protect the country from the fall. One was not able to take care of its unity and strength in time. The liberal-democratic system built at the beginning of the second republic did not even survive 10 years. Shaken by the unending interparty fighting it fell under the blow of the May coup.

Poland today needs various things: homes and goods, the sorting out of its backyards and of history, sobriety and imagination. One thing Poland particularly needs, however, is peace and stabilization. Not peace understood as inertness and stabilization understood as a defense of the fossils of the past, but such peace which makes normal efficient work possible and such stabilization which enables one to look to the future with confidence.

Comrades, usually the economic potential of this region is emphasized, but one should also no less appreciate its Polishness [Polskosc] potential, the patriotic traditions of battles for freedom and social progress, work achievements and responsibility, its contribution in the national culture. Throwing off things passed over in silence and insinuations, we are talking today about everyone from Wieczorek [participant of Silesian uprising in 1921 and member of Polish Communist Party] to Korfanty [leader of Silesian uprisings 1919-1921], from (Lonta) and Grazynski [pre-war voivoda of Silesia] to Arka Bozek [Silesian peasant activists and post-war vice voivoda 1945-52], Zawadzki [Silesian Voivoda 1949-50] and Zietek [Silesia and Katowice Voivoda in various periods following world war II]. We do not measure services nor mistakes with pharmaceutical scales. Whoever fought for Poland, whoever toiled for Poland deserves a place in history.

In this town, which paid with the blood of Polish scouts in the first hours of the war for its link with the homeland there is no need to repeat the words: We shall not give up our people's homeland. That is inherited—as if genetically—and when the wind of history blows only the sickly branches or the dried leaves fall from the Polish trunk.

This year is the 50th anniversary of the Nazi aggression which became the beginning of the greatest and most terrible war in the history of the human race. In several months, we are going to solemnly celebrate that anniversary. We intend on that occasion to remember and honor those who in 1939 and in the subsequent war years fought for Poland and must be given their due. We will not forget the fallen and murdered, regardless of where their ashes rest. At the same time, we should once again, not only from the official rostrum, ask a question equally important to generations, including the youngest. How did September come about? How was it that Poland had to fight alone at the beginning? The place where we will meet was only 10 km from the prewar border with the German Reich. The third generation of inhabitants of your region is now free of the thought of living on a flaming border. However, it should never forget who, when, at what price, in what circumstances, and which choice moved our national border hundreds of kilometers to the west.

The Katowice region always was and will remain the working center of the country. Not only because a very high percentage of the national income is produced here, not only because without this land it would be difficult to speak about Poland's future—just as without Poland there would not be a true Silesia and basin—but mainly because the honor of the working class, passed from father to son, is deeply ingrained in consciousness and customs.

As you have noticed, I have deep feelings for native Silesians. I would like to now turn to those who came to this land driven by the great transformations of the postwar period. Hundreds of thousands of newcomers came here from the poorer parts of Poland, from Rzeszow and Podhale regions, from those areas on our internal borders whose fate has been recorded in the pages of our national literature and numerous memoires. It was here, in the most industrialized region of our fatherland, that they found work and achieved social and professional advancement. Until recently, people from other parts have been arriving here.

Some of them shout today: Down with the commies! This is dishonorable and even deplorable, and a question must be asked: Where would your fathers be today? Where would you young people be today if it were not for the commies? Who created millions of jobs, vocational training, access to culture, and an extensive urbanization system, sometimes incorrectly called in Polish "townification" [umiastowienie]?

I do not intend to oversimplify the matter. The conditions for young people's start in life and their professional careers are difficult or sometimes very difficult. However, you cannot solve anything with pessimism and constant complaining. The present times, however complex they are, create unique opportunities for young people to take part in activity which is truly Polish, great and new activity. You are well prepared to do that and have the most valuable attributes at your disposal today, qualifications which you have aquired here, and sound educations. Economic freedoms are being extended. This creates a possibility to make various choices. And, above all, there is work. This is a sure—although not always materially satisfying - starting point and a basis for an independent existence.

Young people by nature are always different, critical as a rule, wanting to change the world, and angry. To dream that the generational chain will simply continue is pointless. For this reason, there is nothing more important to the party than to attract young people who are creatively and constructively restless, those who come not for their convenience or career, but in order to increase their own and our joint driving force. There are already meetings with the young which nobody leaves. There is no shortage among you of those willing to visit party headquarters and they are being open to the young. A new generation of the left is emerging. THe socialist youth unions have to make their presence in it known more strongly.

Last night, while watching television, I was sincerely pleased that we have such bold young comrades. Today I have learned that very similar people are present also in this hall. It is precisely you, although there are still too few of you, who clearly prove that our ideas and our party have a lasting future in front of them.

Comrades, many of today's wealthiest nations have experienced deep crisis. In overcoming them, they have released new vital forces and have conquered new heights. However, history also knows of examples where nations and states did not know how to lift themselves out; they did not find a way out of the difficult situations. This is what the history exam which we are taking today is about. Permit me to express our joint conviction that we will pass it in the way required to maintain the honor of the party, the nation's prosperity, and the good of our homeland. [applause]

Jaruzelski Meets Farmers Union Representatives

LD1803003289 Warsaw PAP in English
1838 GMT 17 Mar 89

[Text] Warsaw, March 17—PUWP CC First Secretary and President of the Council of State Wojciech Jaruzelski received here Friday representatives of the Polish Union of Farmers and Farmers' Circles and Organizations with president of the main board Norbert Aleksiewicz.

The meeting discussed the state of preparations for the coming 9th congress of delegates of farmers' circles, and the outcome of the roundtable talks. The farmers expressed their concern over the deteriorating economic situation in agriculture and the shortage of farming production means.

President of the Council of State voiced appreciation for organizational and production effects scored by the farmers' circles and their economic units. He stressed that of particular importance was the development of services for farming and countryside.

Miodowicz Discusses TU Affairs With GDR's Tisch

AU1503160289 Warsaw TRYBUNA LUDU in Polish
13 Mar 89 p 7

[PAP report: "Problems of the Polish and GDR Trade Unions"]

[Text] Berlin—Alfred Miodowicz, member of the Politburo of the Polish United Workers Party and chairman of the National Trade Union Confederation [OPZZ], arrived in the GDR on Saturday. The purpose of his working visit was to exchange information about the present tasks and problems of the class trade unions in Poland and the Free German Trade Union Federation [FDGB] in the GDR, as well as the situation in the international trade union movement. These problems were discussed during a meeting with Harry Tisch, member of the Politburo of the Socialist Unity Party of Germany, and chairman of the FDGB, who briefed the Polish guest on the role of GDR trade unions in implementing the country's social and economic development program, and on work force initiatives concerning celebrations of the 40th anniversary of the GDR this year.

Alfred Miodowicz discussed the efforts of the Polish class trade unions to stabilize social life and develop economic life in Poland, as well as the OPZZ stance on trade union pluralism. He also discussed the "roundtable" talks so far.

Both partners in the talks underlined the great responsibility of trade unionists in consolidating peace, and expressed their full support for the Vienna talks on reducing conventional armed forces.

Janusz Obodowski, Polish ambassador in Berlin, attended this meeting.

At the end of his Berlin talks, Alfred Miodowicz told PAP: Meetings like this take place regularly. They serve to coordinate the cooperation programs of the trade unions of both countries. After all, a rapid development of mutual contacts is giving rise to new problems all the time, and these problems have to be solved on the spot. We highly appreciate cooperation with the FDGB, and we wish to continue it. Unfortunately, because of the situation in Poland, we could only devote a work-free Saturday to this topic. Tomorrow I will meet with postal workers. We very much wanted to tell the trade unionists in a neighboring country that in Poland, a representation of the class trade unions is going to step up its activity to defend the interests of Polish working people. This is not just because of the "roundtable," but because working people are increasingly worse off in Poland. Therefore, we are trying to create conditions in which every working person may work efficiently and reap greater advantages from it in the form of higher wages for more productive work, and greater satisfaction.

Miodowicz Meets Bydgoszcz Workers, Unionists

LD1803062589 Warsaw PAP in English
2317 GMT 17 Mar 89

[Text] Bydgoszcz, March 17—How to work under the conditions of trade union pluralism? What is the "roundtable" team for trade union pluralism talking about? How to stem a strike threat and inflation? What are life chances of youth and pensioners? —these were the main topics of the talks that Alfred Miodowicz had with workers and trade unionists in Bydgoszcz today.

These questions were asked again at meetings with trade union activists. Below are some of Miodowicz's answers:

The concept of one trade union is well-known and pursued in the West and it does not at all mean "monopoly". We chose a different path. However, both of us (Lech Walesa and me) are for a joint trade union representation in a factory.

Now, there are neither legal nor illegal strikes. There are simply real strikes as legal procedure is too complex and primarily it lasts too long and the conflicts cannot wait to be solved with its help. There should not be any strikes just now because they only weaken the economy. I warn against the strike road, as our firms must develop in peace and strikes destroy them.

Baka Opens Modernization Commission Meeting

LD1703145389 Warsaw PAP in English
1155 GMT 17 Mar 89

[Text] Warsaw, March 17—The PUWP [Polish United Workers Party] government commission for reviewing and modernizing organizational structures of the state and the national economy met here today to discuss a draft report on the state of the organization of the economy and the state.

"The resolution of the 10th PUWP Congress obliges that an improvement be made in this respect," Wladyslaw Baka said in his opening address.

The report, a result of the hitherto work of the commission, public discussions and scientific expert analyses, focuses on the organization of working community, economic structures and state administration and is to be submitted to the National Conference of Delegates.

Wage-Related Disputes, State of Economy Analyzed

AU2003144389 Warsaw TRYBUNA LUDU in Polish
15 Mar 89 p 5

[Jerzy Sieradzinski report: "The Price of Normality"]

[Excerpts] The wave of wage-related strikes and protests that inundated many enterprises in February and March makes one think. The chief thought is: Why? Why are we faced with such an increase in wage demands instead of greater social restraint and increased social security at the beginning of 1989, which, according to the government, is supposed to see a fall in inflation and a 20-percent limit on new price increases?

The answer to this question would dispel many myths and simplified views. However, I also feel obliged to present a few facts and figures.

The latest report by the Consultative Economic Council, an august body that can hardly be accused of manipulating figures or beautifying the reality, says that nominal wages increased by 77.5 percent last year, but the costs of living went up by 60 percent. That means that real wages rose faster than the national income. This is dangerous for any economy. [passage omitted]

In other words, this rapid increase in wages, which was automatic, so to speak, is not connected with a corresponding increase in productivity or output, and did not make it easier for people to satisfy their material needs because stocks of goods in shops were at their lowest level since 1981, and the list of commodities absent from shop shelves became longer. These goods included not only the most attractive items of home entertainment technology such as radio receivers, videorecorders, and

television sets, but also straightforward domestic appliances. All building materials and practically all sports equipment also disappeared from the shops.

At the same time, the difference between the official prices and free-market prices of these missing goods increased alarmingly. In extreme cases, free-market prices of some goods, for example supplies for interior decorating and home improvements, were three times higher than the official retail prices. Despite considerable wage increases, this had to create the impression that the costs of living had increased and the real value of wages had fallen. [passage omitted]

The present wage disputes are another argument against an automatic index-linking of wages, in other words an automatic adjustment of wages in line with increases in the cost of living index, for when wages rise at the same rate as prices, people are no more satisfied with their material situation than they were before.

I think that one of the main reasons for the present wave of disputes is that the government has attempted to discontinue the practice of increasing wages before prices. [passage omitted]

As it is, with the present level of inflation and market shortages, wage demands are a game in which everyone loses. A small number of people seem to win at fist, but later on it is they who often turn out to be the greatest losers. Could that lead to new strikes in defense of enterprises who have gone bankrupt because of giving in to wage demands? That is the most ridiculous chain of events imaginable.

Leaders' Public Appearances for 8-14 Mar

AU2003102889

[Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 9 to 15 March reports the following appearances of Polish leaders (date and page of each report given in parentheses):

Mieczyslaw F. Rakowski and Leszek Miller met the leadership of the Polish Students Union on 13 March. (14 Mar 89 p 2)

Premier Mieczyslaw F. Rakowski received Ryszard Dzialuk, director of the State Forestry Commission, on 8 March. (9 Mar 89 p 2) He attended a ceremony marking the 70th anniversary of the Polish Savings Bank on 13 March. (14 Mar 89 p 2)

Kazimierz Barcikowski, member of the Politburo of the Polish United Workers Party [PZPR] and deputy chairman of the State Council, received Jozef Filipowicz, new Polish ambassador to Nigeria, on 10 March. (11-12 Mar 89 p 2)

Jozef Czyrek, Politburo member and Central Committee secretary, received I. Aboymov, Soviet deputy minister of foreign affairs, on 8 March. (9 Mar 89 p 2)

Zbigniew Michalek, Politburo member and Central Committee secretary, received a delegation from the Economic and Social Policy Department of the Hungarian Central Committee, headed by its chairman, Imre Kovacs, on 10 March. (11-12 Mar 89 p 2) He attended the plenum of the Bialystok Voivodship PZPR Committee in Bialystok on 12 March. (13 Mar 89 p 2)

Marian Orzechowski, Politburo member and Central Committee secretary, met with the leadership of the All-Polish Council of Young Scientific Employees of the Polish Students Union on 8 March. (9 Mar 89 p 4) He attended a meeting of party historians on 10 March. (11-12 Mar 89 p 2) He attended the report-back conference of the Wloclawek Voivodship PZPR Committee on 13 March. (14 Mar 89 p 2)

General Florian Siwicki, Politburo member and minister of national defense, visited the Marie Curie-Sklodowska University in Lublin on 10 March. (11-12 Mar 89 p 2)

Marek Holdakowski, Politburo candidate member and first secretary of the Gdansk PZPR Committee, chaired a plenary session of this committee on 10 March. (11-12 Mar 89 p 2)

Jacek Kubasiewicz, Politburo candidate member and first secretary of the Warsaw PZPR Committee, attended this committee's plenum on 11 March. (13 Mar 89 p 3)

Zygmunt Czarzasty, Central Committee secretary, met with the staff of the KOBIETA I ZYCIE (WOMAN AND LIFE) magazine on 8 March. (9 Mar 89 p 2) He attended the plenum of the Elblag Voivodship PZPR Committee in Elblag on 11 March. (13 Mar 89 p 2)

Zbigniew Michalek, Central Committee secretary, opened a new gallery of the Museum of the Kujawy Region in Wloclawek on 14 March. (15 Mar 89 p 2)

Leszek Miller, Central Committee secretary, met with members of the Polish Women's League on 8 March. (9 Mar 89 p 2) He received CSSR Ambassador Josef Havlin and DPRK Ambassador Pak Sang Am on 10 March. (11-12 Mar 89 p 2) He attended the plenum of the Plock Voivodship PZPR Committee in Plock on 12 March. (13 Mar 89 p 2)

Ceausescu Chairs PEC Meeting; Officials Fired

AU2003104089 Bucharest SCINTEIA in Romanian 18 Mar 89 p 1

[Text] On Friday, 17 March, Nicolae Ceausescu, general secretary of the Romanian Communist Party, chaired a meeting of the Romanian Communist Party [RCP] Central Committee Political Executive Committee.

A report was debated during the meeting on the survey of the results scored in the national economy as a whole, as well as on the formation and utilization of financial resources in 1988.

The report stresses that last year the working people, strongly mobilized by the decisions of the 13th RCP Congress and the national party conference, scored further important achievements in the country's socioeconomic growth, in increasing industrial and farm production, national income, and the homeland's general wealth. The fact is relevant that in 1988 the forces of production grew continuously, and the process of intensive development and modernization of all the branches of the national economy became more apparent. Outstanding successes were also scored in scientific research, education, and culture which greatly contributed to Romania's multilateral progress. Likewise, price stability, sound money circulation, the consolidation of the national currency, the budget, and financial balance were ensured. As an outcome of all the economic activity carried out in 1988, the accumulated national wealth amounted to 5,177.5 billion lei, 4.4 per cent more than in 1987, of which fixed capital accounts for 3,367.7 billion lei.

The growth of the country's economic might and of the national income created the necessary resources for a further rise in all of the people's standard of living, materially and spiritually.

The 1988 achievements were the solid foundation for the successful passage to the attainment of the goals of the 4th year of the ongoing 5-year plan period.

With the data in the report as a basis, RCP General Secretary Nicolae Ceausescu assessed that although in general important achievements were scored, they were below the provisions of the 5-year plan—the growth of the social product and of the national income being still small as compared to the potential of the national economy—and asked that firm steps be taken to score better results in all domains this year, to radically improve economic and financial activities.

Starting from the unsatisfactory activity carried out last year in the financial-banking domain, the Political Executive Committee firmly criticized the financial and banking bodies and assessed as inadequate the activity of the deputy prime minister who coordinated that sector, of the minister of finance and of the governor of the National Bank, and of the president of the Bank for Agriculture and the Food Industry, who are guilty of grave violations of the legal provisions regarding the granting of credits, the liquidation of losses in the activity of economic units, as well as the lack of fulfillment of their attributions and responsibilities in properly organizing economic-financial activity, and in ensuring the profitability and efficiency of all enterprises. On the basis of the proposals of several members of the Political Executive Committee, it was decided that Neculai Ibanescu, deputy prime minister; Gheorghe Paraschiv, minister of finance; Florea Dumitrescu, governor of the National Bank; and Nicolae Eremia, president of the Bank for Agriculture and the Food Industry, be released from their offices.

In connection with the report, the party general secretary referred to the results scored and asked that it be completed to show the detailed situation in the economic-financial field, so that appropriate conclusions be drawn and the necessary measures be taken to radically improve the entire activity. Most resolute action was urged for a firm application of the legal provisions; of self-management, self-financing, and self-administration; of the provisions of the economic and financial mechanism; for an end to unprofitable products; and of all forms of waste and mismanagement of the material and financial assets entrusted to enterprises. All products and all units must make a profit before long, in the course of this year, stressed the party general secretary.

Comrade Nicolae Ceausescu asked the financial-banking bodies to firmly apply the law which stipulates that in the event there still are unprofitable enterprises, they should be supervised. We cannot use the general achievements in the national economy to cover the negative states of affairs in some units, the party general secretary said.

Showing that work in the financial and banking sector calls for competence, discipline, and a high sense of responsibility for the management of the national wealth, Nicolae Ceausescu urged the financial and banking bodies to take more responsible action for a strict observance of the laws. In connection with that, emphasis was placed on the need to improve financial control, to organize and better define the attributes and responsabilities of the higher court of financial control and of the Central Council of Worker Control over economic and social activity, which should act far more firmly and efficiently to provide for a strict observance of the legal provisions and of the economic and financial norms.

The Political Executive Committee decided that the program of measures concerning the economic and financial activity should be improved on the basis of the party general secretary's proposals and recommendations and submitted to the National Council of Working People and the National Council of Agriculture for debate and to the plenary meeting of the party Central Committee for approval.

In consideration of the very large unpaid credits of producer cooperative farms, the Political Executive Committee approved, on the basis of the proposals set forth by the party general secretary, to write off all the credits of producer cooperative farms contracted until 1981. Furthermore, it was agreed that in the case of a number of cooperative farms, which are confronted with a more difficult financial situation, all credits contracted until 1985 inclusive should be written off. In this way, producer cooperative farms will benefit from roughly 80 billion lei in unpaid credits. Moreover, a special development program for all producer cooperative farms was required so that they may carry on their activity with ever better economic and financial results as soon as possible.

Taking into account the fact that roughly 15 percent of the communes do not benefit from their own mills and bakeries, their residents having to travel to other localities to get the respective services, the meeting agreed, on the basis of party General Secretary Nicolae Ceausescu's proposals, that mills and bakeries be built in all communes this year so that by 1990 every commune has its own mill and bakery.

The Political Executive Committee examined and approved a report on the fund of the working people's participation in the 1988 production and profit making and in profit sharing.

According to the data supplied, that fund, which directly depends on the fulfillment of the tasks and of the economic and financial indicators, increased in state economic units last year over 1987.

During the meeting, stress was laid on the fact that aside from their wages, the working people also receive substantial sums of money representing their share of profits, bonuses, and other incentives, as a result of the 1988 economic performance. With that as a basis, this year, state and cooperative economic units will receive roughly 8.1 billion lei in profit sharing and other bonuses.

Furthermore, the working people will get roughly 1.1 billion lei in dividends from their social shares of the development fund.

Overall, the working people will receive aside from their pay about 9.2 billion lei in profit sharing and dividends of the social shares they have in the development fund.

The Political Executive Committee urged the ministries, the central departments, the economic units, as well as the party and trade union organizations to take further action for the working people's growing contribution to the development fund of enterprises, for the growth of production, and for a higher productivity as well as quality of production, for lower raw and subsidiary materials, fuel and energy demands, for a rising profitability and economic efficiency, for larger profits to be made by each economic unit, which is the sure way to larger incomes for each working person, and to a higher welfare and standard of civilization for all people.

The Political Executive Committee analyzed and set measures for the implementation of the plan for the second trimester of 1989 which provide for a judicious monthly distribution of targets, in line with the planned provisions for the respective period.

There is special concern to fulfill the exports plan, with stress falling on the intensification of production contracting, urgent customs clearing of the production in stock, solving in due time all the problems related to the manufacture, and rhythmically, on-time supply of all the commodities, the range and quality of which should meet the provisions of the plan.

Furthermore, the measures that were established pursue the utilization of plants at capacity, a strict observance of the approved norms and their further reduction through lower raw materials, fuel, and energy consumption, and respect for the economic and financial norms as a basis for a higher efficiency in economic activity as a whole.

At the same time, firm action was urged for the fulfillment of the programs aimed at improving management and updating production, raising productivity, and the performance and quality of production, which are the top priorities of economic activity.

The government, the ministries, the central industrial departments, all economic units, and the party organs and organization were asked to work in the spirit of the established measures for a proper management and course of productive activities, for recouping all arrears and best fulfilling the plan for the second quarter and the entire year.

The Political Executive Committee decided to convene a plenum of the RCP Central Committee on 12 April. Economic activity and party work will be on the agenda. The plenum will also discuss the preparations for the 14th RCP Congress.

RCP General Secretary Nicolae Ceausescu expressed his conviction that all working persons, all people, by taking action with a high sense of responsibility, order, and discipline, will do their best to exemplarily fulfill the plan for the first half of the year, for this year and the 5-year period as a whole, as well as all the country's economic and social development plans and programmes—the sure and durable basis of a higher standard of living for all our nation—materially and spiritually.

The Political Executive Committee also solved routine questions of party and state work.

French Envoy Recalled After Rights 'Violations'

AU1703195789 Paris AFP in English
1856 GMT 17 Mar 89

[Excerpt] Paris, March 17 (AFP)—France, expressing "deep concern" about violations of human rights in Romania, has recalled its ambassador from Bucharest for consultations.

Britain meanwhile protested against the harassment of six former Communist party leaders who wrote an open letter criticising Romanian President Nicolae Ceausescu, and issued a new condemnation of human rights violations in Romania.

A French Foreign Ministry communique, issued here late Thursday, said: "The French Government is deeply concerned by reports from Romania that police measures have been taken against six personalities who recently addressed an open letter to President Nicolae Ceausescu."

(Diplomatic sources in Bucharest said earlier that the six had been put under police surveillance. The son of one of them had been arrested on spying charges, the sources said.)

If the reports were confirmed, the communique continued, they would show that there had been "a serious abuse of human rights, in total contradiction to the commitments undertaken in Vienna by member states of the Conference on Cooperation and Security in Europe, which include Romania".

It added that a three-day joint French-Romanian commission meeting, due to begin here next Tuesday, had been postponed, and expressed French Government support for a decision taken Thursday by the European Economic Community (EEC) to suspend economic cooperation talks with Romania.

The communique said that France' ambassador had been recalled "to assess the situation in Romania".

Diplomatic sources denied Thursday that the ambassador was being recalled permanently, but they said that his temporary recall was a "clear signal" to the Romanian Government of Paris' "bad mood" over the latest allegations of human rights abuses. [passage omitted]

Andrei Receives Albanian Food Industry Official

AU1803170089 Bucharest AGERPRES in English
1413 GMT 18 Mar 89

[Text] Bucharest, AGERPRES, 18/03/1989—On Saturday, 18 March, Stefan Andrei, deputy prime minister of Romania, received Vilson Ahmeti, deputy minister of food industry of Albania, now on a visit to Romania. On the occasion analysis was made of the questions regarding the development of the economic collaboration between Romania and Albania.

Giosan Meets Cuban Parliamentarians on Arrival

AU1903163289 Bucharest AGERPRES in English
1610 GMT 19 Mar 89

[Text] Bucharest, AGERPRES 19/3/1989—A Cuban parliamentary delegation, headed by Severo Aguirre del Cristo, president of the National Assembly of People's Power of the Republic of Cuba, arrived in Bucharest on Sunday, paying a visit to Romania upon the invitation of the Grand National Assembly.

The guests were welcomed by Nicolae Giosan, chairman of the Grand National Assembly, by deputies.

Leaders' Public Appearances for 11-17 Mar

AU1803174589

[Editorial Report] Bucharest AGERPRES in English reports the following public appearances of Romanian leaders during the 11-17 March period (sourceline of each report given in parentheses):

President Nicolae Ceausescu received separately departing Albanian envoy, Zoi Tosca, (1521 GMT 14 Mar 89) and new Australian ambassador, Francis William Somerville Milne, in Bucharest on 14 March. (1747 GMT 14 Mar 89) On 15 March, Ceausescu visited Bucharest machinery enterprises (1914 GMT 15 Mar 89) and on 17 March he chaired a meeting of the Political Executive Committee of the Romanian Communist Party Central Committee. (2045 GMT 17 Mar 89)

Ioan Ungur, minister of foreign trade and international economic cooperation, participated in the ceremony of putting on line the Kapulukaya hydroelectric station, in Kirikkale, Turkey, on 13 March, (2018 GMT 13 Mar 89) and, on 16 March, he addressed Inter-Balkan meeting in Ankara. (1827 GMT 16 Mar 89)

Markovic Submits Program to SFRY Assembly

AU1703153189 Belgrade Domestic Service in Serbo-Croatian 0902 GMT 16 Mar 89

[Speech by Ante Markovic, president-designate of the Federal Executive Council, presenting his program to a joint session of the SFRY Assembly chambers in Belgrade on 16 March—live]

[Text] Comrade presidents, comrades: Allow me to stress at the beginning that there will be no repeating of what I said on the platform at the session of the SAWPY Federal Conference Presidium, but let me ask you to accept what I said then as a constituent part of this speech so that it might go into the documents of the SFRY Assembly as such. This text has more the character of a thesis and fundamental orientations as guidelines for the elaboration of the program on which FEC action will be based.

I believe that all our solutions must start from the orientation that there can be no resolving the fate and future of this society of ours, its crises and development, without increasing efficiency in society in general, primarily economic efficiency, and without strengthening political democracy.

We must seek solutions through reforms of society and the system, and in the orientation toward an integrated market, autonomy, and the right of economic subjects to make economic and developmental decisions and to take responsibility for them. We must also seek new development with an opening up toward the world, integration with its development. In this way we will move toward the humane, cultural, civilized, and other achievements of the modern world.

Consistent with these orientations toward reform, it is necessary even now to open up the process of the transformation of the state, and in this framework the reorganization and composition of the FEC, in order to facilitate the election of its members and its restructuring.

In today's address I would like to speak about some groups of problems which are bound to attract our attention in a significant way and in connection with which are our priority tasks. The first relate to the development and functioning of the integrated market, the second to economic policy, the third to development policy, and the fourth to the reform of the state itself, as well as to other questions which are relevant to our lives at this moment.

To make the operation of the intergrated market possible there must be discussion about the precondition for this operation. This means that there should be discussion of systemic solutions and the infrastructure of the system and of its institutions, as well as of organizational, functional, and other mechanisms which are a precondition for this system being able to function. In view of the fact that we are still deeply embedded in a completely different system, we must carry out fundamental changes which require not only appropriate solutions, but also demand time for them to be introduced. It is necessary to facilitate, by systemic solutions, the formation of all factors of an integrated market. This means not only in the area of goods, but also of capital and labor, because without such a complex solution we will obviously not achieve the true performance which the market makes possible, especially in increasing efficiency.

To this end it should be made possible for economic subjects to take on responsibility and the right to make business and developmental decisions independently, which is a precondition for the development of a more efficient and rational system of business operations.

In the first place I would place deregulation, i.e., the reduction or abolition of those laws and regulations that are squeezing the role of the market and economic subjects, in other words economic organizations. It is necessary to deregulate all those areas in which service to the state is not vital, as well as those connected with the market for goods, capital, and labor. In concrete terms, this means that there should be a reexamination of the legal regulations relating to this field, and in keeping with the accepted orientations, changes to them should be carried out.

A further task is to change those laws which have already been adopted but do not fully correspond, not only to the letter but to the spirit of the constitutional changes as well, such as: the Law on Enterprises, the Law on Financial Transactions, The Law on Accountancy, and the Law on Banks and Other Financial Organizations.

Then, the elaboration of new legal regulations will follow, in an attempt to see that all those questions relating to original rights—which according to the Constitution must be regulated by law—are not treated in a more restrictive way than in the Constitution.

It is also necessary to reexamine all the sublegal acts, which there are hundreds of, and which should be rationalized in line with general deregulation. For example, in the area of economic relations with foreign countries, there are 133 sublegal acts, and in the area of customs and taxes, an additional 64.

Deregulation should be understood as a lasting process and in no way as a single action, and still less as a campaign. It must become a lasting matter to be dealt with by all subjects, beginning with enterprises in terms of their self-managing relations and internal organization, to the legislative activity of the federation. It is not merely a matter of the reduction of regulations affecting the functioning of enterprises on the market and of simplifying the process of administrative regulations and communications across the board. There should also be a reexamination of a series of institutions which, on the basis of these regulations, are functioning today and de

facto, representing specific centers of power, making decisions on behalf of those subjects who ought, on the basis of the new system, to have the right to make decisions independently.

The market, as an achievement in the development of civilization, is an instrument making development more efficient and rapid, for which previously an appropriate replacement had not been discovered. It requires the autonomy and responsibility of economic subjects and provides an impetus to the motivation of the individual. The speed at which we will make it possible for the full formation and operation of the market—our own market and as part of the world market—depends on the capability of society to transform itself, and on the readiness and motivation of the individual to enter into risks and tolerate the process of change.

All our activities must be orientated in the direction of a gradual opening up and integration in the world market, and the introduction of world criteria in our market. This should be across the board, and should mean not only goods, but know-how, capital, and labor as well. We must make room for competition between ownership and economic subjects, whether social, cooperative, private, mixed, or foreign. In other words, a united system of market-orientated business operations must exist.

It is exceptionally important to understand that this process needs to be implemented immediately, because unless there is a growth in competition and increased pressure to increase efficiency, we will not succeed in the foreseeable future in opening up processes which would make it possible for the contradictions facing us to be resolved in a way which will be effective, socially bearable, and which will motivate people to fight for such processes. There should be an acceleration of the transformation of enterprises which are socially owned in accordance with the conditions of a competitive market. They must adapt their organization, internal relations, work methods, technology, and the quality of products, without which they will not be able to sustain themselves in the conditions in which sharp competition prevails.

To this end, the responsibility of social enterprises must be developed. Their resources must be formally owned, which means that the legal owner must be clearly specified and that these resources must be treated as social capital. A large obstacle in this sense is removed because this is made possible by the constitutional changes, which also make possible the right to appropriate these resources on the basis of social ownership as capital.

The formation of small businesses—both social and mixed, as well as private and cooperative ones—must be a process which takes place continuously and which is subordinated to selection by the market. This means that those that do not prove to be sustainable must disappear, though new ones will also come into being. To this end, it is exceptionally important that socially owned enterprises understand the conditions in which they will be operating and do everything so that they might become integrated effectively and rationally in the new system of business operations.

For this to become possible, it is necessary to form a capital market as soon as possible, in other words a financial market, though this is not possible until we separate state financial functions from market financial functions. As a result, the monetary function as a part of the state function must be separated from the credit function, which must be in the domain of the business banks, regardless of a certain logical connection between the two functions. The undertaking of credit functions, which also contains within itself the responsibility for the sale of resources, as well as the right to form the prices of these resources on the market, is not possible unless institutions and mechanisms that are essential in this market exist. Therefore, a banking system as envisioned by the Constitution should be established as soon as possible.

It is an imperative to organize as soon as possible a securities market and resolve the problem of their issuing and trading. We must also work out a policy of stimulating all forms of saving. Without a capital market, there will be no increase in the effectiveness in using resources and in determining their market value, or any improvement in the way the resources owned by the population are activated.

In the sphere of the commodity market, there must be further liberalization of prices and exports as preconditions for the formtion of a competitive market. Of course, the impact the world market would exercise through imports will depend on our import capacity which, in turn, depends on our capacity to secure sufficient foreign currency inflow.

What this means is that the export and all other forms of links with the world economy, supported by all the instruments of the development and current economic policy, are a prerequisite for achieving a higher level of development and for establishing, none too soon, a stable balance in the country's current account balance and its balance of payments. This would also involve a series of measures designed to generate a sufficient amount of foreign currency from all sources, including the export of goods and services, and stimulative measures for purchasing citizens' foreign currency, as well as additional resources from abroad. This will help to expand, on a long-term basis, our communications with the world market as a whole. Our priority task is to liberalize imports for the sake of exports; to liberalize, on a long-term basis, the import of those products that serve to protect the standard of living and generate greater competition, especially in those areas in which there is a tendency to form monopolies.

As the process of our integration in the world market is stepped up, resulting in the growth of our foreign currency earnings, the scope will expand for liberalizing imports, which will enable us to form our own commodity market on the basis of the combined influence by trends on both the domestic and world markets. In that sense, trade is the institionalized framework of a commodity market, without which it cannot function, and which our country has neglected, for years having only a distributive role. Being impoverished, with meager resources and inadequate organization, and considering the method of work and cadre composition, trade cannot assume the role it has in other modern and organized markets.

This applies to both our foreign trade and even more so to the domestic trade. Trade should not simply be a passive conveyer of goods between producers and consumers, but should play an active part in the formation of the market, in the risks to which it is exposed, and in generating competition. In other words, it has to have an active role in influencing production itself, in its range of products and their design, and in its modernization through rationalizing the degree of utilization of socially-owned capital, thus activating one of the important sources of economic growth.

To speed up the setting up of a capital and commodity market, it is necessary to promptly create conditions for forming mixed banking and financial organizations, as well as mixed trade organizations with foreign partners. This would help to accelerate the process of modernizing such institutions to enable them to assume full market responsibilities independently, and by respecting their own activities and method of work as well.

The result of all this would be strong motivation of the working man. If we fail to give him an opportunity to have his labor and results of his labor valued by the market and, by implication, to have the opportunity and the right to decide on the size of his own personal income, there will be no improvement in efficiency. However, there is no motivation without differentation. In other words, we must work toward differentiating between labor, the results of that labor, and the level of know-how and competence, which would all have their market value. This includes differences in the amount of entrepreneurial spirit one possesses, one's organizational abilities, and managerial qualities. All this would lead to differentiation between those who are prepared to take risks and bear the consequences, but at the same time to avail themselves of the right to improve results and to use the effects of improved results for their own interests.

A labor market must be introduced and consolidated in our system and practice. This will be done primarily by excluding the possibility of any furhter influence on the part of the state. This will be achieved by abandoning administrative regulations and the state's interference in the distribution of income and personal incomes.

This, however, does not mean that there is no need for an appropriate degree of interdependence in income distribution. This, however, should be left to other factors, primarily to the firms themselves, their self-managing organs, the nature of the relations within them, and their own responsibility for development. They would, no doubt, be able to differentiate between what is indispensable for their everyday policy and what is needed for long-term development. All this, of course, implies an incomes policy in which an important role will be played by fiscal and tax policies. In the period ahead, we will have to agree on norms to be observed by both the firms and trade union organization.

The formation of mixed enterprises with various forms of ownership and new methods of evaluating labor results will force socially-owned forms to speed up the differentation between good and bad workers and to introduce the instruments of work and business motivation.

It will also be necessary to provide scope for competition between those in jobs and the unemployed, in other words, to prevent any attempt at monopolizing workplaces—which is happening now—even when it is damaging for an efficient utilization of socially-owned means. In this respect, the Constitution has provided scope, albiet minimal, to carry out appropriate changes in the legal system labor relations in enterprises.

The labor market must stimulate both regional and structural mobility of workers, which would help to improve the way labor resources are being used and would dampen the consequences of differences in the regional level of development. This also refers to the labor structure in economic and other activities, as well as to the job structure.

In our system, we must stop treating the social sector as expenditure, but [we must treat it] primarily as a factor of development. In keeping with the changes to the Constitution, organizations and self-managing communities of interest must be transformed and rationalized in such a way that they correspond to the modern needs of the development of the economy and society. Wherever this is possible, the social sector should be integrated with production activities in a common struggle for a new quality of life, business operations, and development. The improvement of the material position and the achievement of an equal socioeconomic position for employed workers should, in addition to regular sources, be further ensured by the establishment of direct relations as well as by the sale of goods and services on the market. The operation of economic legalities should be respected in these activities, and all factors and results of work should be valued and in this way motivated to adapt to the reform of society as a whole.

In other words, in this approach, the present uncompetitive, almost disorderly, and extremely irregular market would be transformed by us into a market with positive

developmental and many other performance characteristics—into a market of which there should be no fear. We must fear what we have at present and what has brought us into a virtually hopeless situation.

The duration of the economic crisis in Yugoslavia has intensified, for almost a decade now, the economic, social, and political problems to the extent that they are directly endangering the very foundations of the socioeconomic and political system of the country. Although this period is not completely homogenous, global performances of economic development in this period mean that it has been markedly unsuccessful in economic terms.

The stagnation of the social product and the ever-accelerating inflation rate have seriously eroded the foundations of the national economy and have diminished, in a major way, its reproductive capability, accompanied by ever-decreasing competitiveness and export capability. Despite the policy of extensive employment, the number of unemployed workers increased in the 1980-1988 period by 43 percent. In parallel with the increase in unemployment, the real level of average personal incomes has been reduced by about 25 percent, which inevitably resulted in more powerful social tensions and a fall in motivation to increase labor productivity and efficiency in the use of resources.

The fall in efficiency is to a significant extent the consequence of an extensive investment policy in the previous period (the share of investment in the social product was 35-40 percent, which was not based on market criteria, so that, on one hand, its production and financial effects failed to have an impact. On the other hand, the high level of commitments created on the basis of these investments took up a significant part of capital accumulation, making investments, which were necessary for modernization and the technological renewal of the economy, impossible. All this took place in conditions of a significant real fall in investment of about six percent on average per annum in the period after 1980.

An inadequate developmental and current economic policy, which has been insufficiently export-orientated, as well as the dominant administrative influence on economic relations with foreign countries, resulted in insufficient exports and foreign exchange earnings, which made it impossible to service the foreign debt, despite the significant curbing of imports. As a result, we were forced in this period on two occasions to request the rescheduling of the debt, which additionally increased the financial bad debts in the country. Our enormous autarky of development is best illustrated by the trend of the share of our exports in world exports, which in the 1963-1973 period was 0.58-0.68 percent of world exports and in 1988 fell to 0.45 percent, which is the lowest in this entire period.

Judging by the trends in basic macroeconomic indicators in 1988, compared with 1987, the economic situation in the country, unfortunately, deteriorated significantly. In fact, a real fall in the social product, industrial production, labor productivity, investment, personal incomes (down 7.8 percent) and the living standard was recorded, while retail prices and unemployment increased. This assessment worries us all the more because according to the tendencies of these trends, the situation is further deteriorating in 1989 as well. Certain results achieved in the area of economic relations with foreign countries do not change the general picture of the economic situation.

In 1988 inflation, as is well known, was 199 percent for the year as a whole. The current inflation rate with which we entered 1989 was significantly higher. Since June 1988, and up to January 1989, the average monthly growth in retail prices was 15.4 percent, which for the year as a whole represents an inflation rate of 458 percent. However, in February the growth in prices again accelerated further, and now we can say that we have an inflation rate tending toward a level of nearly 1,000 percent per annum, of course if this trend persists.

The inflation rate in 1988 was in line with monetary growth. The money supply last year grew by more than three times. The tendencies at the beginning of 1989 indicate that the characteristics of movements in monetary and credit aggregates in 1988 have not changed in the least. The expansive course of credit and monetary policy is continuing, and unless there is a reversal in this area, it will be impossible for the growth in prices to slow down.

Unfortunately, our inflation has many causes. It arises from the system and the way in which this system is made to operate; it is also cost-based of course, but it is also an inflation in the lack of supply; it is also the result of inappropriate and inefficient communication with the world; it is predominantly structural, which means long-term.

It is obvious that there is no single policy that can be used to strike a blow at inflation. Only a whole arsenal of policies and measures containing changes to the system and changes to the economic structure which contains, in other words, both developmental and current economic policy, constitutes a powerful strategy in the offensive against inflation.

Bearing all this in mind, the basic task of current economic policy is the halting of the processes of stagnation in the economy, as well as to make production more dynamic, accompanied at the same time by the creation of institutional and material and financial preconditions for the economy to be restructured in line with modern technological and market requirements. The complexity of the goals and tasks of economic policy, when set out in this way, requires their realization to be approached in a complex and differentiated way. On one hand, priority must be given to the measures and

activities which, while not stimulating inflation, make the production activation of the available factors of production possible, especially of economic subjects which are competent in the market and profitable, channeling them into areas where in the short term they can provide the most significant effects.

This means that the current economic policy measures would be designed to motivate—as much as possible and in an unbiased way—economic subjects to search for their own solutions to their commercial and development problems.

Current economic policy must maintain its continuity, both in its character and duration, and thus reduce the degree of uncertainty among the economic subjects and provide scope for the planned measures and activities to be carried out with full intensity.

The main determinant of the current economic policy will be the market value of all production factors and the effect of their utilization on the single Yugoslav market. To this aim, the dinar exchange rate policy and the interest rate policy will be in line with market criteria determined by market mechanisms. Only when there is a system of realistic market values is it possible to differentiate between efficiency and inefficiency, profitability and nonprofitability, between work and idleness, and to embark on the process of modernizing and restructuring economic subjects and the economy as a whole.

In view of the fact that previously, difficulties and resistance in pursuing such a policy were, to a considerable extent, a result of the rising imbalance in the country's financial system, which eventually generated inflation, it is necessary, in addition to supplying the policy whereby the market sets the value of the production factor, to remove and moderate the effects of the existing bad debts.

In the same framework, it will be necessary to monitor the situation in and examine the problems of economically inefficient and fictitious parts of the economy's resources, as well as outstanding debts. We must also examine the problem of realized foreign exchange differentials from the population's foreign currency savings deposited with the Yugoslav National Bank, as well as the differentials arising from converting foreign credits into dinars via the Yugoslav National Bank. On this basis we must also examine the ways of finding resources to cover these differentials, i.e., decide what is to be written off and what is to be converted.

Second, at the same time one should reduce the financial disequilibrium in trade links with foreign countries, among which it is particularly important to convert a part of the foreign debt into direct investment of foreign capital into the Yugoslav economy, and to restore balance in the debt owed to us by individual countries. These measures and activities would reduce the size of both the internal and external indebtedness, as well as the pressure on the liquid assets of the economy and the banks, and would dampen the effects of one of the generators of the inflation.

Under the policy of the dinar's real exchange rate and of positive real interest rates, it is necessary to significantly increase the liberalization of prices and imports along with a reduction of custom duties and import dues, especially when importing for export-bound production and the import of consumer goods. In addition, all forms of antimonopoly policy must be employed to moderate the negative effects of the monopoly on the market, to eliminate the two-tier system of prices within individual production sectors, and to reexamine the decision providing for common elements for setting prices in parts of large economic infrastructures, which have made it possible for them to maintain price monopoly in production.

[Text] In the overall economic policy, a significant role should be given to modern monetary and fiscal policy which, by their concerted effect, would lead to both stabilization in commodity-monetary relations on the market and to direct activities in haling the previous decline in and gradual revival of the economy. In view of the intensity of the existing inflationary tendencies, it is necessary to ensure that the monetary policy functions as a strong and active instrument of anti-inflationary policy. Restrictiveness should therefore be its main feature and should help to decelerate the rise in demand, and by adhering to its restrictive course, reverse the expected inflationary trends.

Restrictiveness in the monetary policy should be reflected in two ways. The first one is the dynamic one and implies that the annual rise in global monetary aggregates will not just lag behind inflation, but that their year-by- year trend will not anticipate inflation and adjust their course to it.

The second element is of a structural nature and implies efforts to prevent monetary and credit trends from moving in the direction where their effects have so far been inflationary. This refers in particular to the practice of using new money issues to cover losses, financing surpluses in the trade with the clearing area, and to cover the deficit in financing a part of the federal budget expenditure. If these two elements are successfully applied, the monetary-credit policy would not have to be restrictive in financing realistic demand on the market, the profitable and export-oriented projects, or successful, innovative economic subjects.

The money issue, both officially controlled and self-generating, must be treated as a whole.

The monetary policy would be separated from the credit policy. The former should come within the competence of the Yugoslav National Bank and the system of national banks in the republics and provinces, and the latter within the competence of the commercial banks.

Parallel with this kind of monetary policy, there is a need for a restrictive public sector expenditure policy, since the present level at which the economy is taxed to meet fiscal and parafiscal obligations is too high for its realistic material and financial potentials. It is necessary, at all levels, to rationalize the organization and activities in social services and the state administration, and to reduce some of the legally provided rights by encouraging them to enhance their direct relations and increasing the participation of their users.

The 1989 current economic policy is under the strain of both the foreign and internal debt and the imbalance in budgetary accounts. These are having a serious destabilizing effect on the economy. In addition, the federation is faced with a large volume of deficit financing, which is not covered by realistic sources. Both the 1989 budgetary and nonbudgetary accounts were calculated on the basis of unrealistically estimated growth in prices and the exchange rate. As a result, it was not possible to adopt the nonbudgetary expenditure at the last session of the SFRY Assembly. Instead, temporary measures had to be employed to regulate this area, nine of them being submitted at a single session. This indicates how serious the overall situation is and how great the problems facing us are.

These are our outstanding, and for the country, exceptionally important problems. The new Federal Executive Council will have to tackle these as a priority task, proceeding from the principle that all expenditures at the federation level must be planned within the budget.

To enhance the stablizing effect of this kind of monetary and fiscal policy, it is necessary to pursue an active policy of income and personal income distribution. This policy is formulated in such a way that it will be possible to employ the factors of motivating workers to increase productivity and efficiency in utilizing resources, but, at the same time, will not have an inflationary effect. Personal incomes should grow in line with the market value of labor results and increased productivity, and not as a result of the mistaken logic that they should keep abreast of living costs at all times and in all environments, thus giving rise to income leveling.

If the relatively increased accumulation in the economy as a result of these policies is to be converted into investment that in a relatively short period of time will produce both indirect (through demand for capital goods) and direct (through developing new capacities) stimuli to halt the decline in and encourage a rise in production, it is necessary to change the structure of utilizing accumulation and to increase the effectiveness of investment.

To this end, two basic groups of measures are needed. The first group is designed to considerably reduce any state control of the way accumulation is being used (the so-called compulsory pooling of resources in social reproduction) and to allow the economy to freely dispose of these resources for investment and reproduction. The other group is designed to tighten up investment policy market criteria and to ensure their consistent implementation throughout the country.

In addition to the above measures, a whole set of economic policy measures and activities concerning strategy and tactics in our foreign economic relations are of particular importance for the comprehensive fulfillment of this task. If this is to be achieved, our relations with the EC, the policy of attracting foreign capital and the foreign currency owned by our citizens, and the policy of joint investment, cooperation, and ventures on the world market must become an integral part of our common and consistent policy of foreign economic relations. The effects of this policy in creating conditions for continued growth or exports as the principal factor of stimulating production and for capital and technology inflow, are of crucial importance for providing long-term prospects for resolving the stagflation problem. Only under such conditions can we expect the elements of the long-term solutions for the new economic system to take full effect and to initiate and encourage development processes.

In considering development prospects, it is necessary to organically link systemic measures and the current economic and development policy measures within the overall concept of socioeconomic development. The work on the current and developing policy and on solutions for the economic system must therefore ensure that conditions are created in which it will be possible to employ optimal solutions for growth and development, with the special aim of resolving social welfare problems and eliminating the causes of inflation.

The development policy must be conducive to these processes. In other words, we need the kind of development strategy that will lead to a considerable increase in economic efficiency by primarily increasing exports, and by producing a rise in income and foreign currency earnings, which will open up new jobs in the manufacturing sector.

We are facing two problems in the sphere of development. First, we are lagging behind in technological development compared with world technological development, both in those sectors which have recently become relatively well developed and in the most modern ones which we have managed to keep up with. Second, we have even greater problems in our economic structure, which is still insufficiently developed: We lag even futher behind the developed countries in this area than we do in the field of technological development. It is clear that we cannot achieve a considerable increase in efficiency in the economy or society as a whole, nor in exports nor the supply of goods, without a new economic structure. This structure will be more flexible, more

capable of reacting to the market; it will make communications with the consumer much easier, and it will be capable of embracing technological and all other changes on the world market more quickly.

This process of development, which implies structural changes and adjustment, will lead to social problems which, in my view, cannot be resolved solely in the sphere of social welfare policy but, primarily, within the development policy. Of course, the social welfare and security of citizens must never be neglected.

In developing the new economic structure, emphasis must be placed on small businesses. An economic structure which relies on small businesses will enhance economic efficiency as a whole, adjust to the structure of the world economy more easily, enhance the country's export capacity, and bring a diversity of goods onto the domestic market. This kind of structure can be easily set up; is not capital- and energy-intensive, and it is the only one capable of absorbing the labor surplus—which is already present—resulting from growing maket orientation and the influence of market forces. The creation of the new structure must therefore be our priority task; it must be given absolute priority in all areas: in industry, agriculture, transport, in the services, in tourism, trade, education, culture, and so on.

The constitutional provisions have opened up considerably greater prospects for such development. They will help us to immediately remove present restrictions on using resources owned by our citizens at home and abroad. We must creat an atmosphere of stability in our commitment, and convince people that ours is not the policy of the moment, but a long-term policy which will provide security for all those who are prepared to invest resources to create new values. Our Constitution provides guarantees for all forms of ownership—social, private, collective, and mixed. We must use economic policy measures to legalize resources, especially foreign currency owned by our citizens—which at the moment circulates within the so-called "gray market"—so that they appear through normal market channels. We must also encourage all our citizens, especially those working abroad, to invest their resources in development.

Under such a policy, it will be in the interests of the socially-owned firms to immediately embark on forming small businesses, in which they will invest funds. They will also put at the disposal of these small businesses some of their production and technological facilities, as well as premises that are not being used at all, and will encourage their workers to form small businesses by taking over some of the production assets. In such small enterprises, the workers would retain the right to manage and to share in the profit.

Funds for development, including foreign funds, should primarily be used on the basis of joint ventures. Furthermore, both for the effective exploitation of existing capacities and for their greater activation, lasting resources should be discovered to replace reliance on bank loans, not only for the production process, but for the sphere of working assets as well. This means that bonds should be issued to stimualte both our citizens and foreign investors.

We must identify some major developmental programs which will represent a new quality in our development, and which will more rapidly change the structure of our economy. At the same time, this will mean a powerful opening up toward the world, and the introduction of market elements in the consensus economy. Here, I am thinking of several very large projects, especially in tourism and agriculture, as well as in some areas with the most modern technology, such as electronics, information science, the pharmaceuticals industry, and the infrastructure, especially in communications.

All programs, including infrastructural ones, must be valued by the market—this means the world market. The more they are oriented toward the world market, the more they should be made effective by foreign investments and by projects which would be formed on a commerical basis, behind which there would be no state with its guarantees, regardless of whether the state will be participating in some of them with its funds, which the Constitution makes possible.

On the basis of the new concept of economic development, formation of the market, the new system, and the current economic policy focusing on people's motivation, we must talk with creditors in the world, above all with the IMF, so that they support our policy, since our recovery not only enables us to repay our debts, but also ensures normal communication with the world capital market, which is in their interest. Talks between us and other institutions of the international banking system, such as the International Bank, European Investment Bank, Eurofima [European Company for the Financing of Railway Rolling Stock] etc., as well as with our creditors and big trading partners in the world, are imminent.

The policy of regional development should be harmonized with such a concept, and at the same time we should take into account the uniqueness of certain areas.

In the next period, the regional policy must also encompass the policy for stimulating faster development of the economically insufficiently developed republics and the Socialist Autonomous Province of Kosovo, as well as other important issues of the regional problems, such as urban planning, population policy and migration trends, etc.

Transformation of the federal fund for financing the speedy development of economically insufficiently developed republics and autonomous provinces should

be considered in accordance with characteristics and intentions of the new economic system so that it becomes a specific development and financial institution.

On the basis of everything said so far, it follows that the way out of the crisis and beginning of the new process of development depend primarily on society's capacity to start this process, as well as to enable consistent functioning of the single market, independence, and the right of economic subjects to make decisions concerning current and development policies, and in accordance with this, to take responsibility.

The basic meaning of these changes is the liberation of enormous potential of the self-managing socialist society and people's initiatives, which would motivate people to act rationally and efficiently, and to make changes in programs, organizations, methods of work, etc. as a result of their mainly economic interest. These changes would produce a considerable increase in income and would have other positive effects.

The task of the state is to ensure that constitutional rights, which are the normative assumption of the system, and independence of economic subjects are exercised without restrictions as soon as possible. This means that rights and powers should be transferred from state institutions to self-managing subjects and the market at all levels, from municipalities to the federation. Therefore, deregulation should be put on top of our agenda, and new laws must be in the service of plausible implementation of the constitutional solutions and their creative use. This does not mean that there is no role for the state in the economy. On the contrary, we have to develop a modern state that is suited to a market economy and independent enterprises, and protects this independence and its economic function, especially in regard to consolidating the role of economic policy. This modern state would also involve guideline planning. These functions, especially fiscal, taxation, and welfare, as well as the legal role of the state in the entire social system, must be clearly defined. On one hand, some of the present powers of the state should be removed, and on the other, those it now performs poorly or not at all should be consolidated;—this includes a vertical division of powers—and the several levels of decisionmaking should be enabled to work autonomously.

We accordingly believe that the composition of the FEC should be reduced and the efficiency of its work should be increased. This is assumed by the new Constitution, since it does not insist on equal representation as was formerly the case.

For this reason, instead of the principle of parity, according to which we had to have a numerically large FEC, conditions will be created for selecting a smaller team with expert political qualities, which would provide a greater guarantee for a more efficient, operative, and responsible activity on the part of the FEC and the federal administrative organs.

Particularly important for the work of the FEC are solutions abolishing the principle of consensus when passing by-laws, bearing in mind the character of the executive regulations, i.e., the fact that social and material relations cannot be regulated by FEC documents, but only by the law and other regulations passed by the SFRY Assembly. The proposed solutions inevitably imply the abolition of interrepublican committees and create preconditions for the greater independence, efficiency, and responsibility of the FEC and the federal administrative organs.

Changes in the organization and competence of the federal administration are an important step toward reforming state administration, with the goal of ensuring that the newly founded federal administrative organs direct their activity at their basic functions right from the beginning: implementation of the federal laws and other regulations, and monitoring of the situation in those spheres of society for which they are responsible.

In line with this, the federal committees as federal administrative organs are abolished, bearing in mind the marked weaknesses that manifested themselves in their work, especially from the point of view of specifying the rights, duties, and responsibilities of committees as executive organs and those of the leaders who head federal committees.

This, of course, does not mean that there will no longer be any need for cooperation and work integration between federal administrative organs and the corresponding organs in republics and autonomous provinces regarding issues of joint interest.

To ensure that the FEC and the federal administrative organs act above all as state organs with precisely established functions and tasks within the framework of the rights and duties of the federation, changes will be introduced in the structure of the federal administration in such a way that its functions will be carried out first by the federal secretariat, as independent organs of administration. Only yesterday, the Federal Chamber adopted amendments to two new laws which make this possible.

In this way, normative and organizational prerequisites are created to ensure that the federal organs of administrations—federal secretariats—carry out their duties and tasks efficiently and independently within the framework of the SFRY Constitution and federal regulations, and that heads of these federal organs—federal secretaries—who are members of the FEC, are fully responsible for their work and the work of the organs they are in charge of, as well as for the situation in the spheres these organs regulate. Consequently, the federal secretariats will be granted a high level of independence and initiative in executing these rights and duties within the

framework of the rights and duties of the federation, as well as a high level of responsibility before the SFRY Assembly, the FEC, and society as a whole.

The intention of the new organization of the federal administrative organs is to more rationally organize and concentrate duties within the framework of specific federal secretariats and avoid duplicating work. Our orientation is that related spheres be concentrated within the framework of specific federal secretariats, which would unite all the key components and aspects in these spheres, with the focus on those tasks and duties required by the demands of the economic reform and society as a whole.

The adequate organizational changes in the FEC will, on one hand, be the foundation of special expert services for legislature and information, and on the other hand, the abolition of numerous working bodies of the FEC, including coordination commissions.

For these reasons, the FEC will continue work on preparing a new law on the principles of the system of state administration and on the FEC and the federal administrative organs, and in accordance with this, a new law on the organization and competence of the federal administrative organs and federal organizations, especially regarding a more precise determination of the powers of those bodies and the separation of duties and tasks between them.

Within the framework of all this, we ought to discuss how to modernize the administration and introduce in it the elements of modern means and methods of work, that is, refresh the FEC by bringing in new people and considerably reducing the administrative and managerial apparatus, which would at the same time be more adequate and better rewarded.

Comrades, on several occasions, we assessed the foreign political conditions in which we must act; my intention here is to thouroughly explain them. However, I would like to note that there are mainly positive processes taking place in the work today, and that there are reasons and grounds for believing that they may be longer-term ones, though these processes are not always necessarily evenly balanced and rectilinear. There are still a great many divisions and conflicts jeopardizing security and stability, based on equality and respect for the independence of countries and nations.

In such continuing contradictory world processes, the question of the framework and the priorities of our foreign policy arises.

First, it seems that at this moment, the priority must be our activity aimed at raising Yugoslavia's already low reputation in the world. We have been faced with the economic and political crisis for too long, obsessed with our own drama and mutual conflicts. The world is observing all this with concern, including the numerous friends we acquired owing to the consistent and independent policy we conducted under Tito.

Second, we must exert maximum efforts to create favorable conditions for the implementation of our firm orientation toward our market transformation and modernization in all fields of life and work. We have already launched this idea internationally, and there have already been initial positive results. The all-embracing nature of the reform, its rhythm, as well as consistency and resolve in its realization, remain the crucial issue for the success of our foreign policy.

Our vision is a world of interdependence and cooperation, increasing integration, and equality, and we must be the ones to prepare ourselves and consistently conduct such a foreign policy.

Reform and economic development, the economy in the broadest and most concrete sense, and the realization of our total economic possibilities of joint development through modern forms of integration with foreign partners must become the basic guideline for the nature of our diplomacy and its future orientation.

The separation of the state from the economy should not be interpreted as forsaking the economy to its own fate and leaving it to handle it affairs in the world without any help. The diplomatic service should provide it with direct help to no lesser extent than the diplomatic service of the developed market-oriented countries do in promoting their own economic interests.

We should build our relations with European integrational processes by being well equipped and having a greater degree of stability. The way to have this priority realized is gradual, and depends on internal and external factors. It is certain that the setting up of a Yugoslav market and the liberalizaiton of relations with the world—particularly with the neigboring integrations—are tightly linked, and that we should work persistently and systematically on this goal.

For a long time, Yugosalvia will retain the markers of its position in relation to the integrations within European space: that is, it will be a European, Mediterranean, and nonaligned country in development. We should also devise and affirm our own positive attitude toward this, making reciprocal and symmetrical shifts according to our own development and ability to adjust. We should intensify the political dialogue with the European Community which we have already established, but which should also materialize through comprehensive, industrial, transport, financial, ecological, scientific, and other forms of cooperation.

There is also a set of priorities proceeding from our relations with neighbors. The general political atmosphere in our neighborhood is marked by the affirmation

of our efforts to have goodneighborly relations, something we established long ago. In doing this, we should still resolve the existing problems.

In this area, positive effects can be achieved through various forms of regional cooperation on the entire level of our neighborhood—bearing in mind the positive effects of the cooperation which has, for example, been realized within the framework of the Alpe-Adria working community and the beginnings of inter-Balkan cooperation. We should therefore do everything that leads to the consolidation of a new arrangement of relations in the Balkans and its nearest neighborhood in order to have these in concert with the stable European and world processes.

The fact that Yugoslavia has been chosen as host of the forthcoming nonaligned summit, and its role as the presiding member of the movement for the next 3 years should contribute considerably to the consolidation of our reputation and to the reviving of relations with the nonaligned countries and those in development, as well as with all the leading political factors in the world. The persistent orientation toward the modernization of the movement may help us to realize all the rest of our priorities and to make the movement and Yugoslavia remain the mobile and influential factor of world politics. We are firmly committed to the success of the summit and to the consolidation of the status and role of the Nonaligned Movement's policy in the world trends.

Our nonaligned status also strengthens our possibilities of having firmer relations with Europe. Instead of having exhausting discussions about a potential model of joining Europe, we should immediately set out to gradually join and functionally link to Europe through concrete actions.

I would also like to point out the fact that the reforms in the East European countries and in CEMA in particular gradually change the conditions, contents, and character of our economic ties with these countries. One should reveal new possibilities of mutually benefiting cooperation opened up or heralded by perestroyka. The positive processes of rapprochement between CEMA and the EC can also represent a new chance for us, but also a new competition on either market. This in effect represents the necessity for us to restructure the economy more quickly, as well as to tighten the market criteria of development and export.

I will not speak in particular about our relations with the superpowers which are good and stable and about the ones with the developing countries and the nonaligned. Our relations and their guidelines have long been set, thus being an intergral part of Tito's orientation. We remain faithful to these ways as our lasting priority and orientation.

We can conclude on the basis of the foreseeable trends of the external and internal factors at the time of the realization of this program that the concept of all-people's defense and socal self-protection will represent the successful response to all kinds of potential threats to the security of the country. It prime function should be to deter aggression. However, to retain the credibility of the deterrent, the defensive strength of the contry should be constantly adjusted to match the degree of the current and potential threats to its security. The FEC should bear this in mind permanently and direct and realize in practice its share of obligations.

One should also take into account that the social, and particularly the economic, crisis weaken the defense and security of the country. This logically raises the need for having some of the essential factors of defense and security reexamined, which should result in a qualitative new state of the defense readiness of society and of the combat preparedness of the Armed Forces. To this effect, we will advocate a further development in the concept of all-people's defense and social self-protection and its modernization.

We will propose, under the competence of the FEC, such measures to develop even further the Armed Forces of the SFRY as a united and harmonious entity, while bearing in mind the fact that the Yugoslav Peoples' Army, as their most mobile and striking part, has the particularly emphasized role and responsibility primarily in deterrent functions, efficiently countering the new doctrines of a potential aggressor, and the protection of constitutionally established order. Therefore, it is necessary for the Yugoslav Peoples' Army, in addition to a high degree of skilled performance and moral and political unity, to be appropriately equipped with technology.

In our further development of the Army, we will strive for the following priority guidelines: to alleviate the present unfavorable trends in its technical modernization and to consolidate its total combat strength through the optimum adaptation of technical modernization and a reduction in the number of the Army cadre, as well as a further increase in its quality. It goes without saying that all this is directly dependent on material possibilities; therefore, the FEC will take all the measures at its disposal to ensure the adequate financing of the Yugoslav People's Army (JNA) on a stable and secure base, in line with the SFRY Constitution.

We will consistently and in an economically rational way, implement Tito's well-known stand, according to which our Armed Forces should, to the greatest extent, be furnished with arms and military equipment produced by the home market and on the basis of our own development. The research and development work and the production of armaments and military equipment, taking into account their influence on the overall technical-technological progress, should remain one of the important levers of the total industrial and economic development in the future as well.

The industry of armaments and military equipment, however, should have at its disposal a considerably greater production flexibility, competitive spirit, and maximum adaptation to the market conditions, except in certain specific segments. Proceeding from the demands of the market, this industry should make use of all the possibilities for its own progress, which will be contained in new economic-systemic solutions.

The consolidation of the total defense power of the country directly depends on the success of reforms in which JNA members are naturally interested. Talking to the Army leadership, I witnessed not only their support for this program, but also their firm determination that the JNA should maximally contribute to its practical realization by concrete measures and within the framework of its abilities.

Comrades, the latest events have once again reaffirmed that the situation in Kosovo is one of the most serious political, moral, and socioeconomic problems of Yugoslav society. The causes and consequences of the counterrevolution of Albanian nationalists and separatists in Kosovo to a great extent jeopardize the successful solution of the other problems brought about by the critical situation in the country—its further development and the preservation of the constitutional system of Yugoslavia, its territorial integrity and its democratic socialist orientation. Our priority task is to create conditions for a longer term stabilization of the situation in Kosovo. The most important task at this moment is the consistent implementation of the adopted decisions: to eliminate the causes of the counterrevolution and the consequences of the accumulated lack of intranational trust, and to create conditions for a safer life and a joint future based on the already adopted principles of the policy of brotherhood and unity and other gains of the socialist revolution.

As pointed out on several occasions, the adoption of the constitutional amendments of Serbia and the socialist autonomous provinces will create the necessary conditions for the successful implementation of this policy and a more efficient functioning of the entire political system.

So far, a number of political decisions and conclusions have been passed, as well as the Yugoslav program of measures and activities to halt the emigration of Serbs and Montenegrins from Kosovo and to return those who have left. A number of state regular and special measures have also recently been passed.

An absolute state of work, peace, and legality, as well as the functioning of all the institutions of the system in the province must be established in the shortest possible period to bring back peace and tranquility to people's homes.

Specific parts of the Yugoslav program must be reexamined and updated. In this connection, the FEC will establish a higher degree of cooperation and coordination with the republics and provinces, especially the organs of Serbia and Kosovo. Particularly important are those tasks that refer to socioeconomic development, which means that we must ensure the speediest possible development of the Socialist Autonomous Province of Kosovo in relation to the whole country.

In keeping with the constitutional changes, the economic reform, the structural change policy, and the economic policy measures, the FEC will to this end support the creation of conditions to improve the process of pooling labor and resources, various forms of joint investments, and the integral investment policy, which would be directed toward the use of one's own resources for the development of profitable production, speedier employment, and further changes in the social structure of the population.

A number of other tasks are imminent, above all the provision of adequate cadre assistance; consolidation of public institutions, especially self-managing and state organs; inspection services; public prosecutors' offices; courts; and other organs, for the purpose of settling numerous cases of constitutional and legal violations, damage to personal integrity, the property of working people, and social ownership. We also need to consolidate information educational activity, especially that aimed at preventing counterrevolutionary events and at the realization of absolute freedom and equality of nations and nationalities in Kosovo, which will be based on the objective need for cohabitation and a speedier integration into a socialist, self-managing community of nations and nationalities, which will have equal rights in our country.

The time in which this FEC is fulfilling its duties, and I think we will all agree on this, is burdened with economic as well as sociopolitical problems. Various divisions are deepening, as are antagonisms. The political and security situation in the country has reached the point where emergency measures have had to be taken in part of the country. This is having a negative impact, both on the economic situation and on the international position of Yugoslavia. In such a situation, especially if it were to escalate further, chances for a fundamental implementation of reforms, which also means for the FEC's creative work, would be reduced.

We must jointly develop a new approach to society, state, and policy. This is a complex and long lasting process of the democratization of society, whose aim is the construction of a new, modern socialist system. In this struggle, the new cohesion of the progressive social forces will strengthen, as will that of the opposition to these changes, the first being those who have had some privileges. I expect problems during the period in which the economy is adapting to the market. In this period, the economy will free part of the work force, and this

new development will perhaps not be intensive and powerful enough to be able to absorb the surplus and thus diffuse social tensions. These social tensions can be used to unite all the conservative dogmatic and ultra left-wing forces in the struggle against the new system and its exponents. We must count on this and step up the new development, especially the development of a new structure.

Looking at this from a static viewpoint, our situation seems hopeless, but looking at this dynamically, there are ways out.

They can be found in the changes envisaged by the reform of socialism, which has enormous power within it, power which lies in the motivation of every man and in the freedom of our enterprises to make decisions about their business and development in the best way.

At the end of the 4th decade of the development of our self-managing socialism, we can and must create for our workers such conditions of economic activity and life and work that will enable every man, worker, and individual to take his fate into his own hands. In this sense, the welfare of every individual should depend only on himself, his work, creative abilities, and his interests in his chosen direction of life and work. Today these must all be realistic aspirations to the reform of socialism.

A new morality which will become the possession of all social forces is needed, the morality of those who keep winning.

These enormous social forces must be released and motivated to carry out the reform processes so that the chance of its realization can become realistic, attainable, and realizable. If we know what we want—and I think we do—and base the unity of all progressive social forces and their Yugoslav cohesion on this, there is no doubt that our self-managing socialism will truly be victorious. Thank you. [applause]

Further Developments in Trepca Mine Situation

Strike Continues 16 Mar

LD1603223989 Belgrade TANJUG in English 2109 GMT 16 Mar 89

[Text] Pristina, March 16 (TANJUG)—This morning's end of a three-day "silent sit-in" by ethnic Albanian miners in the cafeteria of the Stari Trg lead and zinc mine in Yugoslavia's Kosovo Province did not mark a resumption of their work.

After silently sitting at the workers' restaurant for the past three days and refusing to formulate their demands, the miners left for home early this morning, starting the 25th day of their strike.

An eight-day underground strike by Stari Trg miners late last month sparked off a series of strikes by ethnic Albanians and resulted in special measures imposed in the province on February 27.

Miners on the first shift at the Goles magnesite mine, which is out of operation since March 9, did not show up for work this morning. Other mines in Kosovo are working at reduced capacity because of mass absence of ethnic Albanian miners.

The number of brief work stoppages in support of Stari Trg miners was considerably reduced today. Only three were recorded compared to several dozen yesterday.

Although nearly a month has passed since the beginning of the political strike which almost brought the Kosovo economy to a standstill, production in the province has not been normalized while the losses are mounting.

It is still difficult even to guess the damage that the strikes have caused to Kosovo's economy, but it is quite certain that the province will be unable to bear the burden alone. The question is whether the other parts of Yugoslavia will be able, or willing, to go on allocating a share of their income and accumulation for those who refuse to work. The more so as it was recently revealed that Yugoslavia daily invests in Kosovo one million 270 million dollars [amount as received]—a sum which, officially, nobody knows what is it spent for.

Lessons in all schools and on university faculties in Kosovo were held regularly today, the chairman of the province's education committee said. However, about 500 students of Pristina's Albanian-language school of electrical engineering are understood to have boycotted lessons by holding a "silent sit-in."

Late in February about 5,000 students of the Albanian nationality expressed solidarity with the demands of Stari Trg miners for dropping the constitutional changes in Serbia, the republic which includes the Autonomous Province of Kosovo, and for the resignations of three Kosovo party officials with Yugoslav orientation, Rahman Morina, Husamedin Azemi and Ali Sukrija.

Students Give Support

LD1803141189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1237 GMT 18 Mar 89

[Text] Pristina, 18 Mar (TANJUG)—Today there is again no production in the Stari Trg and Goles mines. Only half the employees reported for work at the Kisnica and Novo Brdo mine, which has become normal. Albanian miners are absent in large numbers. In the remaining work collectives in the province in which production is continuing, there were no work stoppages.

The refusal of miners to work and sporadic stoppages of several hours in some collectives are obviously aimed at maintaining the tension which evolved after the February events. Students of some faculties and schoolchildren in some secondary education establishments are also joining in by organizing boycotts of silence during lectures.

Seven Mine Officials Arrested

LD1803201489 Belgrade TANJUG Domestic Service in Serbo-Croatian 1843 GMT 18 Mar 89

[Text] Pristina 18 Mar (TANJUG)—Following the filing of criminal charges by the provincial secretariat for internal affairs and the State Security Service in Titova Mitrovica, the district public prosecutor's office in Titova Mitrovica requested that the investigating judge of that court institute charges against seven responsible individuals from the Trepca mine in Stari Trg. According to the investigating judge's report, these are: Jonuz Ibusi, technical director; Mensur Fejza, the director of the Organization of Associated Labor for the Exploitation of Ore; Riza Musliju, the director of the work community of administration; Smailj Nimani, secretary of the basic trade union organization; Murselj Haziri, the pit foreman; Sinan Kurtesi, technical secretary in the mine; and Ramiz Kadriu, the secretary of the Organization of Associated Labor for the Exploitation of Ore.

It was reported that all of these people are justifiably suspected of committing a counterrevolutionary act threatening the social order, as defined in the SFRY Criminal Code, Articles 114 and 139, paragraph 1.

The investigating judge of the district court in Titova Mitrovica, on the basis of the proposal by the district public prosecutor's office, has ruled that all the said individuals should be detained.

Today's statement of the investigating judge of the district court in Titova Mitrovica adds that Aziz Abrasi's health condition is good.

45 Miners Resume Work

LD2003100789 Belgrade TANJUG Domestic Service in Serbo-Croatian 0931 GMT 20 Mar 89

[Text] Pristina, 20 Mar (TANJUG)—TANJUG has learned that the first group of 45 miners of Albanian nationality employed in the Stari Trg mine has gone down into the pit to resume production. Because of the strike, production had been stopped for exactly 1 month. A specific number of maintenance workers are also in the mine.

A group of Goles miners near Lipljan is also expected to go into the pit in the course of the day.

However, a considerable number of miners of Albanian nationality stopped working this morning in the Urosevac Mineks factory, in the seamed pipes factory, in the smoothing iron and tool factory, in the timber combine, in the Gnjilane textile combine, and in Prizren Printeks. During the February events, these collectives were also the main strike centers.

Kisnica-Novo Brdo Miners Refuse To Work

LD1803231289 Belgrade TANJUG Domestic Service in Serbo-Croatian 1711 GMT 18 Mar 89

[TANJUG killed the following item at 1719 GMT 18 March]

[Text] Pristina, 18 Mar, (TANJUG)—Of the miners of Serbian, Croatian, and Romany nationality in the Kisnica-Novo Brdo mines, 15 or so of them have refused to work in the Ajvalija pit since no basic conditions have been met. The ventilation system is not functioning, resulting in excessive amounts of gases. There is also widespread failure of the water drainage system. Despite this, the foreman of the shift, who is of Albanian nationality, has ordered the miners to go into the pit.

These miners refuse to work under such conditions and reported the case to the authorities. They propose that the small number of miners who come to work during all three shifts in the pits of the Kisnica-Novo Brdo mine form one complete shift, which would work in one of the four pits where conditions for work could be met. In this way, the production of ore could be more or less ensured.

Slovenia Prohibits Public Demonstrations

Government Explains

LD1603225289 Belgrade TANJUG in English 1955 GMT 16 Mar 89

[Text] Ljubljana, March 16 (TANJUG)—The Slovenian government said today that it cannot allow citizens of other republics to organize rallies on the territory of that republic to protest against the situation in Kosovo, an autonomous province where Albanian chauvinists and separatists are active.

Individuals and some enterprises from the republics of Serbia and Montenegro have been calling for a rally in Slovenia because they believe the Slovenians are not aware of the complete truth about Kosovo, whose minority population—Serbs and Montenegrins—are exposed to terror of Albanian chauvinists and separatists and also that a rally is a way to present that truth.

The Slovenian government assessed that in "in current social conditions, the responsible organs [words indistinct] ensure public order, peace and security of the participants in such a meeting" and also that public gatherings can be organized in cooperation with the Socialist Alliance of the Working People (SAWP) of Slovenia, the largest socio-political organization.

Warning that undesirable situations, aimed at destroying the brotherhood and unity of the nations and nationalities of Yugoslavia and inciting national hatred and animosity, may arise at rallies, the Slovenian government said that, according to Slovenia's Constitution, the holding of public gatherings can be banned in such circumstances.

In response to the latest of the initiatives pressing for a rally in Ljubljana, the one voiced by the workers of the Radoje Dakic factory of Montenegro, President of the leadership of the Socialist Alliance of the Working People of Ljubljana Joze Osterman said today that such meeting would not be held because its organizers "according to a well-known [words indistinct] want to create divisions in the capital of Slovenia, same as in Novi Sad and Titograd."

The rallies held in Novi Sad, capital of the Autonomous Province of Vojvodina, and Titograd, capital of the Republic of Montenegro, resulted in the downfall of local leaderships, criticized, among other things, for [words indistinct] Albanian chauvinists and separatists.

Most direct was member of Slovenia's SAWP leadership Ciril Zlobec, who said in the latest issue of the TELEKS weekly that "if you come to Ljubljana we shall receive you as people coming to str up hatred among nations, we shall view your arrival as an attempt to overthrow Slovenia's democratic social system and will treat you accordingly."

In addition to all the evil resulting from the rallies of brotherhood and unity, the thought alone that they could become a reality of Slovenia's society and civilization is so subversive that it should be dealt with first of all by the Slovenian Secretariat for Internal Affairs, said Zlobec.

The Ljubljana daily DELO recently said 77.5 percent of those covered by its poll were against the holding of a rally in Ljubljana. The respondents included 96.05 per cent of Slovenians and only 3.95 per cent of members of other nations and nationalities living in that republic.

Titograd Groups Call for Rally

AU1403171889 Belgrade POLITIKA in Serbo-Croatian 12 Mar 89 p 6

[Unattributed report: "For the Truth To Be Heard About Kosovo"]

[Text] Titograd, 11 Mar—Meetings of citizens, including a large number of Communist veterans, which were held last night and over the last few days in the local communities of Masiline, Proleter, Zagoric, Jedinstvo, Zlatica, and Doljani in the suburbs of Titograd, have expressed support for the initiative of the workers of the Radoje Dakic collective that a meeting of brotherhood and unity be held in the capital city of Slovenia as soon as possible.

The aim of this meeting, as stated in a letter to the Ljubljana Socialist Alliance, would be to contribute to informing the citizens of Slovenia about the situation in Kosovo in a more detailed way, because the media in Slovenia and the Slovene officials who were also present in the Cankar Hall, did harm "primarily to their own people with such a policy, for which they bear historical responsibility."

At the meeting of citizens in these local communities, in which about 40,000 citizens live, regret was particularly expressed that the organizers of the meeting chose the Cankar Hall for their shameful aims, because this is a building which bears the name of a great Slovene and Yugoslav poet and patriot.

The Ljubljana trade union was officially addressed today by the Titograd Trade Union Council, which expressed the conviction that the Ljubljana trade union will do everything to ensure that the meeting is attended by a great number of Ljubljana workers.

The Titograd trade union added that "direct contact between the working class of Ljubljana and workers from other parts of Yugoslavia and Titograd will avoid the need to communicate through individual political representatives and individual sections of the media which cause discord among workers and create the false feeling of hopelessness for joint life."

The Titograd trade union expresses the conviction that the meeting in Ljubljana will be a democratic rally with clear general Yugoslav messages, so it asks the Ljubljana trade union to agree to it and organize it "at least to the extent that some other rallies have been organized in Ljubljana about issues which are less important for Yugoslavia."

Reaction of Kosovo Association

AU1703190989 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 17 Mar 89

[Text] Here is a report by Milivoj Mahajlovic in Pristina on the decision of Kosovo Serbs and Montenegrins not to go to a meeting in Ljubljana:

[Mahajlovic] After the demand by a number of Kosovo people for a solidarity meeting to be held in Ljubljana, the Presidium of the Association for the Return of Serbs and Montenegrins to Kosovo concluded this evening in Kosovo Polje that they should not be guests without an invitation from the hosts. The Kosovo people do not have an invitation from the responsible political factors in Ljubljana, who are stating daily that they do not want a meeting or for people to come to Ljubljana from outside, and are even openly threatening those who are found on the streets of the capital city of Slovenia.

Serbs and Montenegrins from Kosovo have taken part in many meetings because their interests were compatible with the wishes of the hosts of the meetings, and the aim

was to stop the counterrevolution in Kosovo, defeat Albanian nationalists and separatists, and stop the emigration. These were meetings of brotherhood and unity, expressing multinational and Yugoslav support for essential changes.

It could not be expected, concluded the Presidium of the Association for the Return of Serbs and Montenegrins, that the participants in the meeting in Cankar Hall would be the hosts of a meeting at which the word Yugoslavia would be chanted. Serbs and Montenegrins in Kosovo do not want their arrival in Ljubljana to cause discomfort to the fraternal Slovene people with whom they have been connected by a common destiny, brotherhood, and solidarity, both in the past and today. We do not want to be greeted in Ljubljana by messages of hatred from the Cankar Hall, it was said at this evening's session of the Presidium of the Association for the Return of Serbs and Montenegrins to Kosovo, held in Kosovo Polje.

New Members of Montenegrin Presidency Elected

Kostic Elected President

LD1703170189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1312 GMT 17 Mar 89

[Text] Titograd, 17 Mar (TANJUG)—Dr Branko Kostic was today elected the new president of the Presidency of the SR of Montenegro.

Dr Kostic was elected to this office at a session of all three chambers of the Montenegrin Assembly in the second round of voting, since in the first round none of the three proposed candidates obtained the necessary majority. Because in the first ballot he obtained the most votes, it was decided in the second ballot that delegates would vote only on Dr Kostic. Of the votes cast by the 135 delegates, Dr Branko Kostic received 95, 12 more than needed to secure an absolute majority of all the delegates of the republican assembly.

The list of candidates for the new president of the Montenegrin Presidency also contained Dr Milos Radulovic and Dr Ljubisa Stankovic.

Dr Branko Kostic was born in 1939 in the village of Rvasi, in the municipality of Cetinje. By nationality he is Montenegrin. He is a graduate of the economics faculty. He has been a member of the LCY since 1957. He has, among other things, been a member of the Montenegrin LC Central Committee, a member of the Executive Committee of the Montenegrin SAWP, and president of the Sociopolitical Council of Titograd. At present he is vice president of the Montenegrin Executive Council and a part-time lecturer at the Montenegrin University of Veljko Vlahovic.

Further Details

AU1703150289 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 17 Mar 89

[Text] In the course of the program, we received the final composition of the newly elected Presidency of Montenegro. The president of the Presidency is, as we have already reported, Dr Branko Kostic. The members are: Dr Milos Radulovic, Dr Ljubisa Stankovic, Mladen Skobalj, Ljiljana Popovic, Jusuf Kalimperovic, and Behudin Halilbegovic.

Official Interviewed on Economic Reform

LD1203223789 Belgrade TANJUG in English 1500 GMT 12 Mar 89

[Text] Belgrade, March 12 (TANJUG)—Without a new developmental policy based on the market, without openness to the world and completion of investments, Yugoslavia would continue to slide into a specific international economic isolation, director of the Yugoslav Planning Institute Dr Zarko Papic warned in an interview to TANJUG on Sunday.

Such an economic reform is prerequisite of a political stabilisation of the country, he said.

Dr Papic urged what he called a "heretical doctrinal" economic reform requiring a pluralism of ownership and the creation of opportunities for private initiative, for an integral market of goods, capital and labour, and a complete opening of the economy with special emphasis on joint ventures. Such an ambitious econmic reform also calls for a concept of new socialism corresponding to the 21st century, he said.

Dr Papic considers the agriculture and small businesses to be the levers of Yugoslavia's more dynamic development.

Under the conditions of rescheduled foreign debt payments, the socially-owned sector of Yugoslavia's economy is left with little accumulation for serious developmental ambitions, so that new sources of investment can only be found through joint ventures with foreigners and investment of citizens' resources in shares or small businesses, pointed out Dr Papic.

He noted that income per employee in the Yugoslav firms operating with the participation of foreign capital is 36 per cent, and effective utilization of their production capacities 56 per cent up on those in the average socially- owned Yugoslav firm.

Market Research Official on Inflation Statistics

LD1303152189 Belgrade TANJUG in English 1341 GMT 13 Mar 89

[Text] Belgrade, March 13 (TANJUG)—Month in month out and record-breaking annual inflation rates are giving bad shakes to the Yugoslavs. Only last month this inglorious record amounted to 346.3 per cent only to possibly go beyond 400 per cent this month, statistics are "promising" so.

At this year's end inflation would "get a chance" to grow into a four-digit one and so break its sound barrier. The February inflation exceeded last January's one by 21.6 per cent, thus "offering" a 956-per-cent inflation at the year's turn, Petrasin Petrasinovic, director of Yugoslavia's Institute for Market Research, said.

An out-of-step between the growth of retail prices and production prices for industrial products is bound to lead to a record-beating inflation this month.

While the annual growth rate of inflation (retail prices) last February amounted to 346.3 per cent, prices of industrial products last February soared in relation to the February of 1988 as much as by 416 per cent.

In other words, Yugoslavia's national economy got supplied with raw materials, semifinished products and equipment at prices much higher than those it charged for retail sales and the ensuing difference of 80 index points could be covered only by charging higher prices again to be recorded in statistics as an annual March inflation rate of about 400 per cent.

The above analysis is indicative for Yugoslavia's galloping inflation of being, above all, a matter of high spending. Being pressed heavily down with taxes and interests, Yugoslavia's economy is being confronted with a steady rise in production costs compelling it to raise its prices in its turn and, in the end, the ensuing bill is to be paid by consumers, citizens. Unless such a chain is broken, there is no prospect for inflation to abate and let the ordinary Yugoslav live better.

Within an intermezzo in which Premier Mikulic's cabinet is due to go out and Eng. Ante Markovic's cabinet to go in on March 16, growing louder are demands for coming up with some short-term programs for curbing the galloping higher and higher costs.

In his program so-far made public, Premier-designate Ante Markovic is not explicitly mentioning such short-term measures, but sees a way out of the crisis through the prism of economic logic and market laws.

Economy Achieved 'Positive' Export Results

AU1303201289 Belgrade BORBA in Serbo-Croatian 9 Mar 89 p 4

[TANJUG report: "Start Is 'Too' Good"]

[Text] Belgrade, 8 Mar—Yugoslavia's trade results in the first 2 months of this year have confirmed the continuation of the positive trend recorded at the end of 1988. Except for high exports, at the end of last year Yugoslavia exported as much as 51 percent of goods at either the same or higher prices than those on the domestic market. [sentence as published]

Between the beginning of this year and 27 February, Yugoslavia exported goods worth $1.68 billion and imported goods worth $1.78 billion, realizing a 94.1 percent cover of imports by exports. What is also encouraging is that in this period exports rose by 7.5 percent in relation to the same period last year, while imports rose by 10.8 percent. We exported to the hard currency markets goods worth $1.32 billion and imported goods worth $1.47 billion. Exports' cover over imports was 89.5 percent.

The results of trade with the clearing account countries in the first 2 months of this year were not as good. This is explained by the burden imposed on our economy by the balance of payments surplus with these countries. Between the beginning of this year and 27 February, we exported goods worth $360 million and imported goods worth $311 million. The cover of imports by exports was as high as 115.7 percent. During this period exports fell by 1.5 percent in relation to the same period of last year. Imports were lower by 27.3 percent. If this trend continues, the Yugoslav trade surplus with the clearing account countries will continue to rise.

Investigation of Pristina Journalists Begins

AU1803200389 Pristina Domestic Service in Albanian 1800 GMT 18 Mar 89

[Text] Today the process began at Pristina Radio-TV to determine the ideopolitical and professional responsibility of journalists and editors of the Albanian language programs, who influenced events during the February events through their information activity. This is made imperative not only by ethical considerations, but also by the assessments and stands approved by the Kosovo League of Communists Provincial Committee Presidium and the Presidium of the Socialist Alliance of Working People. However, this obligation, which must be carried out as speedily and as efficiently as possible, is again being hindered by the usual problem of national divisions among journalists, as well as opportunism.

According to the Kosovo Provincial LC Committee, the information media in the Albanian language played a particular role in the February events. Individual journalists helped to create a certain climate, which did not help the efforts to normalize and stabilize the situation in the province. On the contrary, some forms of reporting helped to exacerbate the situation. Some journalists and editors treated the February events as if they were a tragedy for the Albanian people. Inexcusable ideopolitical and professional mistakes were made. There were even those who fully supported the demands of the strikers.

A working group is to continue the examination of all facts, and is due to report next week to the LC basic organization of the Radio-TV.

Magazine Banned for 'Hostile Propaganda'
LD1703211989 Belgrade TANJUG Domestic Service in Serbo-Croatian 1433 GMT 17 Mar 89

[Summary From Poor Reception] Zagreb, 17 Mar (TANJUG)—The Zagreb District Public Prosecutor's Office has decided to impose a temporary ban on the distribution of the magazine "START" due to an article containing "characteristics of criminally hostile propaganda."

BORBA Attacks New Croatian Political Group
AU1203172889 Belgrade BORBA in Serbo-Croatian 2 Mar 89 p 2

[Seaada Vranic commentary: "Lament Over an Abyss"]

[Text] A new political group—the Croatian Democratic Community [CDC]—presented itself to us with a call for consensus in defense of the sovereignty of Croatia or of the Croatian national entity, the former in the homeland and the latter dispersed throughout the world. We say new, but one could say with a clear conscience that this "alternative" is in fact a somewhat modernized version of an already well-known alternative that in its time united and invented its philosophy and politics as "the mass movement" of Croatian nationalism.

This assessment is undoubtedly important because of its seriousness, but from all that one could hear at the first public presentation of the CDC, there is no ambiguity that this is a case of something else. In any case, the tribunes of the old-new "alternative" endeavored to dispel the possible suspicion that they have any links with the "mass movement of 1971." This was done first of all by Dr Franjo Tudjman with the claim that the "new alternative" had arisen in order to break "the silence that had been forced on Croatia" by the undemocratic suppression of the Croatian renaissance.

One should stop at this claim and ask several questions: Who had silence forced on them? The SR of Croatia or Dr Tudjman and his followers? Perhaps Tudjman was silent, and perhaps silence was forced on him. However, Croatia is not Tudjman. Whose "renaissance" was suppressed, and what does Tudjman mean by "renaissance"? Does this well-known "renaissance man" really think that the the memory has faded so much that we have all forgotten what happened in Croatia 1970-71, or does he think that new criteria are now valid?

Does his new fellow soldier, Drago Stipac (who says that he did not belong to the "mass movement," but was banished) think the same thing when he daringly claims that this "movement" had some indiscretions and inconsistencies on the margins, but not at its center? We can agree with Stipac: There really were indiscretions (for example, that horrific banner "Serbs to the gallows," which could sometimes be read in one or two far-flung corners), but at the center of the "movement" there were no indiscretions and inconsistencies. Everything was thoroughly considered, complete, and crystal clear: The core of the nationalist movement pulled Croatia and its peoples into an abyss, the extreme consequence of which was not Croatia with its army and membership in the United Nations, but a fratricidal war.

Engineer Stipac also does not hesitate to say that the "renaissance" was a pluralistic movement. Which unfortunate pluralism? Has he not heard about the forced replacement of the legal student leadership and about the hidings and bullies who maintained order in the student halls? Does he not know about that unfortunate jump by a student from the fourth floor of the Stepan Radic hall? Does he know what happened to those who did not think like "a progressive core" or did not agree with the decisions of the notorious 10th session of the Croatian League of Communists Central Committee? Has he ever heard of the lists of undesirable people? Does he really think that he is convincing when he says that "hundreds and thousands of people were left without work only because they were intoxicated with nationalist feelings?" Does he not feel uncomfortable when he tells such a heap of lies?

Let us stop for a while at Hrvoje Hitrec, a writer who calls for consensus (in 1971 it was called the "reconciliation of all Croats") between the authorities and the opposition of everybody and anybody so that one can consider things at one's leisure in a multiparty Croatia in which the assembly would have supreme power (it allegedly does not now) and not one party, about a Croatia which would have permission to negotiate about the structure of Yugoslavia. Does this writer have any shame when he invokes AVNOJ [Anti-Fascist Council of the National Liberation of Yugoslavia] principles, but thinks about negotiations over Yugoslavia as a business. Has he never heard that neither managers, private entrepreneurs, nor businessmen met in Jajce in 1943, that Yugoslavia did not come about as a commercial agreement, and that it is not that today nor can it be in the future!

Does it not seem tasteless to the writer Hitrec to call on Croatian Communists to join him in defending the Croatian entity, but call these same Communists "primitive hunters for the scalps of their own people?" We understand both satire and poetic license, but even poets should know that that there is a line between taste and bad taste, and a line between truth and untruth, just as I hope that Hitrec knows that democracy is one thing, and anticommunist hatred another.

Let us not get any further, for there will be some other occasion—and I fear cause, as well—to write more about the messages and goals of the CDC. In regard to past lessons, it seems that Tudjman and his followers forget them, just as it is obvious that their own experience and history have not taught them anything.

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